

2025

Look Back



IIDFC PLC. is a leading Finance Company, promoted by wide array of financial institutions like ten commercial banks, from both public sector and private sector, three insurance companies, Investment Corporation of Bangladesh (ICB) and one individual investor Mr. Md. Matiul Islam, First Finance Secretary of Independent Bangladesh. The Board of Directors of IIDFC PLC. consists of senior bankers, insurance personalities, successful entrepreneurs and retired civil servants with high professional and academic background having experience in private and public sector operation. The management of IIDFC consists of highly qualified, experienced and competent professionals.

IIDFC PLC. (Previously known as Industrial and Infrastructure Finance Company Limited) was incorporated in Bangladesh on 19 December 2000 as a Public Limited Company. The Company was licensed under the Financial Institutions Act, 1993 by Bangladesh Bank on 23 January 2001 and started operation from May 2001. The registered office of the Company is situated at Metropolitan Chamber Building (6th Floor), 122-124, Motijheel C/A, Dhaka, Bangladesh.

MESSAGE OF CONDOLENCE

Remembering

Md. Matiul Islam, FCA

Founder Chairman
(1930-2025)



It is with profound respect and heartfelt sorrow that we remember our Founder and Former Chairman, Md. Matiul Islam, FCA, whose passing marked the end of an extraordinary chapter in our Company's history.

A visionary leader of unwavering integrity, he laid the foundation of our institution with foresight, dedication, and an enduring commitment to excellence. His exemplary leadership, ethical values, and steadfast professionalism shaped the culture and principles that continue to guide our organization.

His enduring legacy lives on through the institution he built, the people he inspired, and the values he instilled. We remain deeply grateful for his remarkable contributions and lifelong service, which will continue to inspire future generations.

We offer our sincere prayers for the eternal peace of his soul and extend our deepest sympathies to his family and loved ones. May Almighty Allah grant him Jannatul Ferdous.

ABOUT THE REPORT

This Annual Report of IIDFC PLC is for the financial year ended on December 31, 2025. The report has been prepared primarily to provide material and relevant information/disclosure about the Company including subsidiaries and of operation of the Companies to our esteemed members, distinguished regulators and other stakeholders. It contains financial as well as non-financial information including risk, compliance and future prospects of the Companies.

In preparation of the report, relevant guidelines of International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), Financial Reporting Act, Accounting Standards, Provisions of the Finance Company Act 2023, Provisions of the Companies Act 1994, Regulatory instructions, etc. were followed in the applicable grounds.

The Board of Directors acknowledged their responsibilities and ensured the integrity of this report. The Board of Directors has applied its collective mind and to the best of their knowledge in all the material issues and performance of the Company including impacts which have been addressed in a fair and accurate manner.

The Annual Report has been made to be a reliable source to know the Company.

TRANSMITTAL LETTER

Tuesday, July 28, 2026

Esteemed Members
Distinguished Regulators
Other Stakeholders

Annual Report For The Year Ended On December 31, 2025.

Dear Sir :

We are pleased to enclose a copy of the Annual Report containing the Directors' Report and Auditors' Report along with Audited Financial Statements including the Statement of Financial Position, Statement of Profit or Loss Account and Other Comprehensive Income, Changes in Equity and Cash Flows for the year ended on December 31, 2025 along with Notes thereon and all other related information of IIDFC PLC and of its subsidiaries, for your kind record and necessary measures.

Information given in the Report is complete, full and in line with relevant Laws, Rules, Regulations and Finance & Accounting Standards.

Best Regards,



Md. Ashraf -Ur- Rahman
Company Secretary

CORPORATE PROFILE

Corporate Status	Public Limited Company, incorporated with RJSC under the Companies Act 1994 vide incorporation number C-42115(1474)/2000
Bangladesh Bank License	DFIM(L)/46
Address	Head Office: Metropolitan Chamber Building (6 th Floor), 122-124 Motijheel Commercial Area, Dhaka, Bangladesh
Contact Details	Phone: 02-223382353, 02-223382342 09611016647, Fax:02-223388987 Hotline: 16647 Website: iidfc.com, E-mail: info@iidfc.com
Number of Branches	3 (Three) Branches
Branch location	Dhaka, Chattogram and Uttara
Major Business Area	SME Finance, Corporate Finance, Structured finance, Carbon Finance, Home Loan, Auto Loan, Women Entrepreneurship Development, Green Finance, Factoring and Work Order Finance.

SUBSIDIARIES OF IIDFC

IIDFC Securities Limited

A TREC Holder of Dhaka Stock Exchange Limited

Corporate Status	Public Limited Company, incorporated with RJSC under the Companies Act 1994 on 28 March 2010 vide incorporation number C-83521/10.
Contact Details	Registered Address: Metropolitan Chamber Building (2 nd Floor), 122-124 Motijheel Commercial Area, Dhaka, Bangladesh PABX: +880-2-9560526, Fax:+880-2-9570756 Email: info@iidfcsecurities.com, Website: www.iidfcsecurities.com
Number of Branches & Extension Office	2 (Two) Branches and An extension office of Head office.
Branch & Extension Office Location	Dhaka, Chattogram, Gulshan and Nikunja.
Major Business Area	Stock Broker, Stock Dealer and Depository Participant (DP) for dealing of shares and securities, commercial papers, bonds, debentures, debenture stocks, etc.

SUBSIDIARIES OF IIDFC

IIDFC Capital Limited

A full-fledged Merchant Bank

Corporate Status	Public Limited Company, incorporated with RJSC under the Companies Act 1994 on 30 November 1995 vide incorporation number C-H.C 2097
Contact Details	Registered Address: Metropolitan Chamber Building (2 nd Floor), 122-124 Motijheel Commercial Area, Dhaka-1000, Bangladesh. PABX: +880-2-9514637-8, Fax:+880-2-9514641 Email: icl@iidfc.com, Website: www.iidfccapitaltd.com
Business	A Full Fledged Merchant Bank
Major Business Area	Portfolio Management, Issue Management Underwriting and Corporate Advisory Service

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NOTICE OF THE 25th ANNUAL GENERAL MEETING OF IIDFC PLC.

Notice is hereby given to all the members of IIDFC PLC that the **25th Annual General Meeting (AGM)** of the Company will be held on **Thursday, August 27, 2026 at 2:30 PM** at the Board Room of the Registered Office of the Company at Metropolitan Chamber Building (Level-6), 122-124 Motijheel C/A, Dhaka-1000.

AGENDA

AGMA-25-01: To consider and approve the Audited Financial Statements along with the Auditor's Report for the year ended on December 31, 2025 and the Directors' Report thereon;

AGMA-25-02: To approve dividend for the year ended on December 31, 2025;

AGMA-25-03: To elect/reelect the Directors who are retiring under the retirement by rotation policy;

AGMA-25-04: To appoint Statutory Auditor for the year ended on December 31, 2026 and fix their remuneration;

AGMA-25-05: To transact any other business with permission of the Chairman.

Your presence in the meeting will be highly appreciated.

By order of the Board,



Md. Ashraf -Ur- Rahman

Company Secretary

July 28, 2026

NOTES:

1. A Member who is entitled to attend and vote in the AGM, may appoint a Proxy to attend and vote on his/ her behalf. "The Proxy Form", duly completed, signed and stamped, must be submitted at the registered office (Metropolitan Chamber Building, Level-6, 122-124 Motijheel C/A, Dhaka-1000) of the Company, no later than 48 hours prior to the meeting.
2. Members are requested to notify change of address, if any, to the Company.
3. Directors' report and Audited Financial Statements of the Company for the year ended on December 31, 2025 together with Auditors' Report thereon shall be available in the Annual Report 2025 which will also be sent to the Shareholders' respective address.
4. For any assistance/information, respected Shareholders may contact +8801611034383 or +8801782379422.

INTEGRATED REPORT

For better understanding of all stakeholders including shareholders, employees, customers, suppliers, business partners, local communities, regulators and policymakers, we are delighted to publicize "Integrated Report" with the Annual Report 2025 of IIDFC PLC and its fully owned subsidiaries namely IIDFC Securities Limited and IIDFC Capital Limited.

Purpose

IIDFC publishes the report annually. An integrated report is a concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long-term. The primary purpose of this report is to explain how an organization creates value over time. Therefore, it contains relevant information, both financial and other issues.

Recipient

An integrated report benefits all stakeholders, including shareholders, employees, customers, suppliers, business partners, local communities, regulators and policymakers, interested in an organization's ability to create value over time. Integrated reporting is also an important tool in improving the understanding of the relationship between financial and non-financial factors that determine a company's performance and of how a sustainable value in the longer term.

Range of the report

The report covers the period of one year from 01 January 2025 to 31 December 2025. It includes the primary activities of IIDFC, our business mix, key support areas and subsidiaries operations. The report ranges beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes attributable to or associated with our key stakeholders, which have significant influence on our ability to create value. We also present information relevant to the way we create value for other key stakeholders, including our staff, clients, regulators and society.

Our integrated reporting process, as well as the contents of this report, is guided by the integrated Reporting Checklist of the Institute of Chartered Accountants of Bangladesh (ICAB) which resemblance with the International Integrated Reporting Council (IIRC)-a global alliance of regulators, investors, companies, standard setters, the accounting professionals and NGOs.

In line with requirements of the following regulators and legislations, we are explaining Company's operations and financial performance in the Audited Financial Statements for the year ended 31 December 2025:

- i. International Financial Reporting Standard (IFRS)
- ii. Finance Company Act 2023
- iii. Defined rules and regulations of Bangladesh Bank
- iv. Securities and Exchange Commission Rules 1987
- v. The Companies Act 1994
- vi. Other applicable laws and regulations prevailing in Bangladesh.

Key concepts

Value creation

Value creation is the consequence of how we apply and leverage our capitals in delivering financial performance and value for all stakeholders while making trade-offs

Materiality

We apply the principle of materiality in assessing what information is to be included in our integrated report. This report focuses particularly on those issues, opportunities and challenges that impact materially on IIDFC and its ability to be a sustainable business entity that consistently delivers value to shareholders and our key stakeholders.

Our Capitals

Our relevance as a Financial institution today and in future as well as our ability to create long-term values are interrelated and fundamentally dependent on the forms of capital available to us, how we use them in value adding activities and the value we deliver.

Financial

Our Shareholders' Equity and funding from investors and clients that are used to support our business and operational activities, including credit extension.

Personnel

Our human resources invest their collective knowledge, skills and experience to enable innovative and competitive solutions for our clients.

Infrastructure

Our business structure and operational processes, including our physical and digital infrastructure, our products, as well as our information technology that provides the framework and mechanics of how we do business and create value.

Infrastructure

Our brand value, research & development, innovation capacity and reputation.

Uniformity and Consistency

In order to draw meaningful conclusions about the trends of IIDFC's financial performance and position over time, we prepared the financial statements for the year 2025 on the same basis as we prepared in the year 2024. We applied same accounting policies, standards and calculating methods consistently from one period to another in order to improve the reliability and relevance of financial statements. We also complied similar accounting policies of the same line of business of the Country.

Outside Assurance Associates of IIDFC

In addition to the internal assurance from management and the Board, we got confidence from the certification of:

- Basu Banerjee Nath & Co., Chartered Accountants, for Certification of the Auditors Report of the Financial Statements.:
- Hossain Billal & Co., Chartered Accountants, for Certification of both the Auditors Report of the Provident Fund and Gratuity Fund Financial Audit.
- National Credit Rating Limited for both the Entity Rating and Bond Rating.

Dissemination and Availability of Auditors' Report for the Stakeholders

In compliance with the regulatory requirement, we disseminate Auditors' Report to the Shareholders, Board of Directors, Employees, Government and its Agencies, Depositors, Investors, Suppliers and other Stakeholders both the hard and soft copy, as the case may be, before holding Annual General Meeting. We also make available the soft copies of Financial Statements, both present and past, in our website (www.iidfc.com) for easy access of the Stakeholders.

Management Acknowledgement

The Management acknowledges its responsibility of:-

- Ensuring the integrity of this integrated report, which in the Management's opinion addresses all the issues that are material to IIDFC;
- Applying collective minds to the preparation and presentation of the integrated report for fair presentation of the integrated performance of IIDFC; and
- Preparing the contents of this report based on the checklist of the SAFA which resemblance with the IIRC.

PROFILE OF THE COMPANY



VISION:

“To deliver utmost financial solutions with innovation, creative values and service excellences in order to ensure superior financial performance and maximum stakeholder’s value”



MISSION:

Our competent and motivated team will ensure best financial services with a commitment for:

- Offering innovative products and services.
- Creating an exciting and stimulating work environment.
- Improving the quality of life in the communities we serve.
- Maintaining high ethical standards, integrity and compliance.
- Optimizing return growth and creating value for shareholders.
- Ensuring synergy by utilizing expertise both from private and public sector.
- Mobilizing private sector resources through large scale project implementation.

BUSINESS STRATEGY

STRATEGIC BUSINESS OBJECTIVES

Strategic business objectives are statements that indicate critical or important organizational strategy to achieve long term goals. The strategic objectives of IIDFC PLC. are as follows:

- To be a fully compliant Financial Institution.
- To achieve sustainable and incremental portfolio growth
- To have branch network in major cities of the country
- To maintain high quality portfolio
- To optimize return on investment
- To diversify the portfolio, focusing on SME finance
- To digitize the operation
- To bring professionalism through efficient HR management
- To ensure better working environment
- To ensure adequate capital base as per BASEL requirement
- To strengthen the brand value
- To maximize the return to shareholders

CORE VALUES

Core values are the fundamental beliefs of an organization, guiding principles that dictate behaviour and help to understand the difference between right and wrong. It also helps a company to determine whether it is in the right path and fulfilling its goals by creating extraordinary customer services. The core values of IIDFC PLC. are -

- To provide extraordinary customer services
- Offering innovative products/services towards value addition for customer

- To ensure continuous efforts for innovation
- Working for stakeholder's value additions
- Partnering customers for national and industrial growth.
- To ensure full dedication for Total Quality Management
- Improve and maintain workplace safety
- To ensure financial sustainability and stable growth
- To ensure excellent manpower and full utilization of HR
- To streamline core business processes
- Striving for full compliance
- To ensure good corporate culture
- Ensuring transparency and full disclosure reporting
- To create a performance-focused culture
- To ensure efficient resource management
- To improve productivity with cross-functional teams
- Investing for employee retention and capacity building
- To ensure ICT driven operation
- To diversify the growth opportunity and improve revenue streams

ETHICAL PRINCIPLES

The ethical principles of financial institutions are designed to guide their conduct in all affairs involving customers, shareholders, employees, and other stakeholders. These principles ensure the sustainability of reputation, trustworthiness, and customer loyalty. IIDFC's broad ethical principles are outlined as follows:

Principle 1: Competence

Employees at IIDFC must continually develop and maintain the knowledge, skills, and behaviors necessary to perform their duties professionally and proficiently. This includes acting with diligence and regularly updating their qualifications, training, expertise, and practical experience.

Principle 2: Integrity

All individuals within the organization must be honest and transparent in their dealings. They are expected to act in a trustworthy, accountable manner and avoid any actions that could harm IIDFC's reputation or bring discredit to the industry.

Principle 3: Fairness

IIDFC fosters a culture of fairness and transparency, ensuring responsible behavior throughout the company. Transparency involves providing the public and markets with clear, accurate, and timely information on company strategy, assessments, and decisions. Fairness also includes full disclosure of a product or service before it is offered to customers.

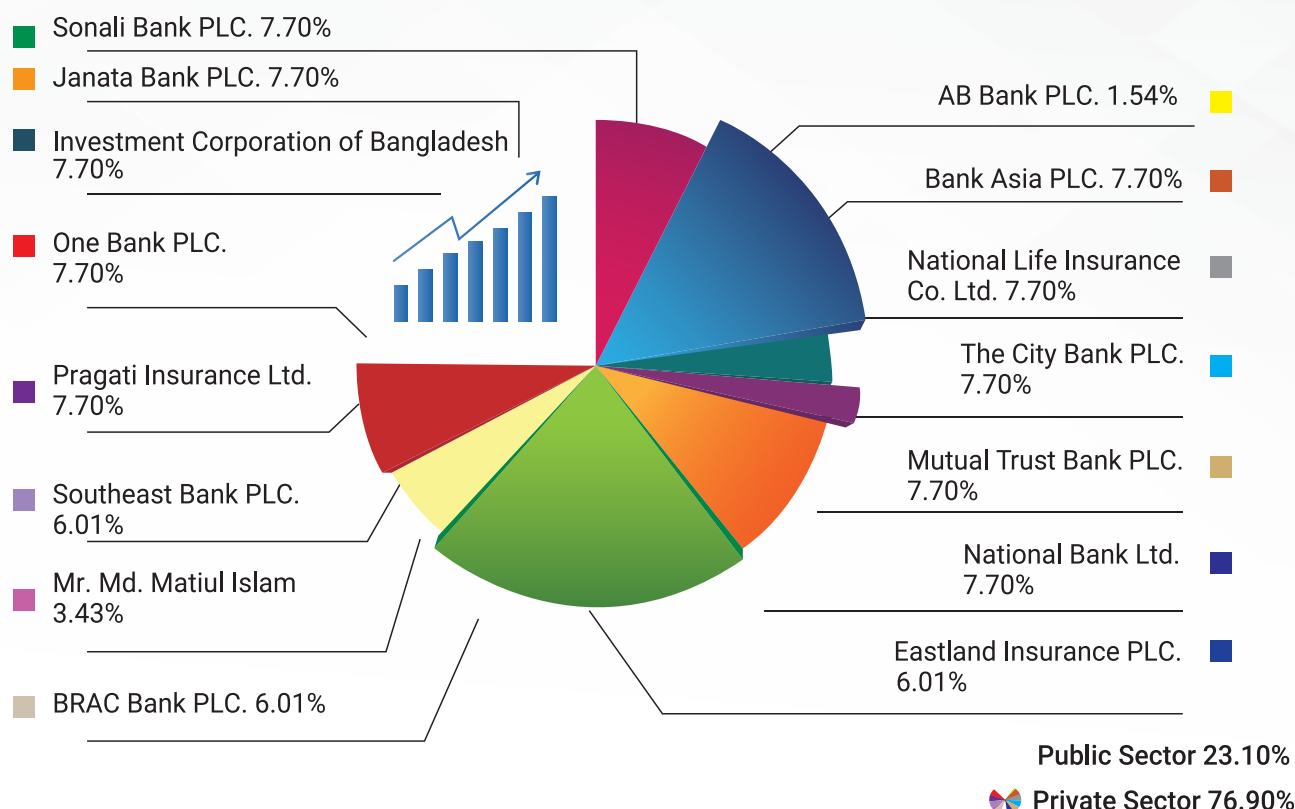
Principle 4: Confidentiality

IIDFC prioritizes the confidentiality and sensitivity of the information entrusted to it. Employees must use this information solely for its intended purpose and must not disclose it to unauthorized persons, including third parties, without necessary consent-unless required by law or regulation.

Principle 5: Objectivity

All individuals within the company must avoid conflicts of interest, bias, or undue influence that could compromise their professional judgment. Employees are required to disclose any matters that could impair their objectivity to those concerned.

SHAREHOLDING STRUCTURE



MILESTONE EVENTS

2000	Incorporation with RISC, Bangladesh.
2001	Issuance of License by Bangladesh Bank as Non-Bank Financial Institution. Commencement of commercial operation.
2003	Launching of first ever Zero Coupon Bond by IIDFC in Bangladesh.
2004	Syndication of 1 st commercial loan of BDT 100 crore for BRAC.
2006	Term Loan Syndication for Warid Telecom International Ltd. [BDT 300 Crore] signed in Abu Dhabi.
2008	Opening of 2 nd Branch in Chattogram on 28 August 2008.
2009	Commencing operation of Brokerage Services. Signed agreement with the World Bank & Govt. of Denmark for delivery of 250,000 tons of Carbon Emission Reductions (CER) generated by IIDFC's CDM Project for environment-friendly brick manufacturing. Formation of IIDFC Capital Limited. IIDFC's CDM project got recognition at the 15 th Global Climate Conference (COP 15) held at Copenhagen, Denmark. Introduction of first ever ACI Convertible Zero Coupon Bond in Bangladesh (BDT 100 Crore).
2010	IIDFC was awarded "HSBC-Daily Star Climate Change Mitigation Award-2010" for developing the best climate change mitigation project in the Country.
2011	Signing of agreement between IIDFC and National Small Industries Corporation Ltd. (NSIC), India for the development of small industries in Bangladesh.

Organizing a SME Technology Fair by IIDFC and NSIC on 2011 to accommodate collaboration between SMEs of the two countries.

First ever CDM Project in the brick manufacturing sector of Bangladesh got registered with UNFCCC (August 18, 2011) with IIDFC acting as the Bundling Agent and Focal Point.

-
- 2012 Signing of a US\$ 6 million loan facility with the Asian Development Bank (November 15, 2012) to improve industrial energy efficiency in 6 different sectors of Bangladesh.
-
- 2014 Arranged Term Loan Facility of BDT 1,000.4 million and USD 6.35 million for Fiber @ Home under syndication arrangement, which is first ever World Bank Financing in IT sector through IPFF cell of Bangladesh Bank.
-
- 2015 Arranged BDT 3,420.00 million through issuance of 8 (eight) Commercial Papers (both in secured and unsecured mode) for different economic sectors i.e. Textile, Automobile, Steel & Iron and ICT sector.
-
- Arrangement of Tier II Capital for Social Islami Bank Limited through issuance of SIBL Mudaraba Subordinated Bond of BDT 3,000.00 million.
-
- IIDFC entered into an Agreement (CERPA) with ADB to sell 160,000 tons of Emissions Reduction during 2016-2020 generated by its 2 Energy Efficient Brick Manufacturing CDM projects on 09 April, 2015.
-
- 2016 IIDFC became a Participatory Financing Institution in the “PPP Financing Partnership Program” through signing a MoU with “PPP Authority” on November 3, 2016.
-
- Opening of 3rd Branch at Uttara, Dhaka on May 05, 2016.
-
- Invited by the World Bank, IIDFC participated in the Carbon Expo 2016 held in Cologne, Germany and showcased the benefits of its Clean Development Mechanism (CDM) Brick Manufacturing project and emphasized on the necessity of large-scale GHG mitigation projects in Bangladesh.
-
- IIDFC participated in the BRICS Annual Financial Summit held in Goa, India on October 14-16, 2016 and focused on the scopes of future collaboration between the financial institutions of BRICS member countries.
-
- 2017 Opening of 4th & 5th Branch at Keraniganj and Gazipur on April 30, 2017 and May 23, 2017 respectively.
-
- 2018 IIDFC signed Master Facility Agreement (MFA) with Bangladesh Bank as PFI (Participatory Financial Institution) in IPFF-II (Investment Promotion and Financing Facility II) project. The project is facilitated by Bangladesh Bank and Funded by the World Bank (IDA).
-
- Opening of 6th & 7th Branch in Narayanganj and Savar on January 28, 2018 and March 27, 2018 respectively.
-
- 2019 IIDFC became a financing partner to the syndication facility of BDT 250.00 million under IPFF II raised for Bangladesh Technocity Limited. The Governor of Bangladesh Bank handed over the IPFF II Fund cheque to the Managing Director of IIDFC Ltd.
-
- 2020 IIDFC Ltd, successfully arranged IPFF II Fund and Commercial Fund of BDT 3.95 billion jointly with NDB Capital Limited for Meghna Industrial Economic Zone Limited (MIEZL)- the first private sector economic zone under BEZA. IIDFC also participated for BDT 366.98 million in the syndication facility under IPFF.
-
- 2021 IIDFC Ltd. successfully arranged IPFF II Fund of BDT 3.25 billion jointly with NDB Capital Limited for Summit Communications Limited. IIDFC also participated for BDT 295.50 million in the Syndication facility under IPFF II.
-
- 2022 IIDFC won International Award on Environmental Development. The award was presented by the Philippines-based Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) on October 26th 2022.
-
- 2024 Change of the Company name to “IIDFC PLC.” from “Industrial and Infrastructure Development Finance Company Limited”.

PRODUCTS AND SERVICES

SME Finance

IIDFC promotes entrepreneurs of cottage, micro, small and medium enterprise sector manufacturing, trading and service industries through its different products under SME Finance Scheme. The aim is to provide quality services to the entrepreneurs with potential and innovative ideas.

- ☞ Term Loan
- ☞ Lease Finance
- ☞ Women Entrepreneur Finance
- ☞ Factoring and Work Order Finance
- ☞ Working Capital Loan
- ☞ Commercial Vehicle Loan
- ☞ Commercial Rental Business Loan (Abashan)

Corporate Finance

Under the umbrella of Corporate Finance Department, IIDFC offers a wide range of financial products and services for corporate clients to support the existing industries as well as for promoting new ventures and infrastructure development projects.

- ☞ Project Finance
- ☞ Lease Finance
- ☞ Short Term Loan/Working Capital Loan
- ☞ Long Term Loan
- ☞ Commercial Vehicle Loan
- ☞ Work Order Finance
- ☞ Participation in Syndicated Loan
- ☞ Green Finance

Structured Finance

IIDFC's Structured Finance Department leads the syndication market and has acted as Arranger to a number of large syndication facilities. Structured Finance encompasses syndicated fund arrangement including cross-border syndication and other financial advisory services.

- ☞ Loan Syndication
- ☞ Working Capital Syndication
- ☞ Arrangement of Fund through Zero Coupon and Coupon Bearing Bond
- ☞ Arrangement of Commercial Paper
- ☞ Arrangement of Convertible and Non-convertible Preference Shares
- ☞ Corporate advisory service

Consumer Finance

IIDFC provides secured and unsecured consumer loan in the form of home loan, auto loan, loan for household durables and loan against deposit based on the creditworthiness, collateral qualities and other financial parameter of the borrower.

- ☞ Home Loan
- ☞ Auto Loan
- ☞ Loan against Deposit
- ☞ Loan for Household Durables

Carbon Finance & Green Finance

IIDFC introduced Carbon Finance, a market based mechanism to support and finance environment friendly technologies and initiatives in the country, back in 2007. It pioneered the introduction of HHK technology in the brick making sector and has been managing 2 (two) emissions trading projects registered with the UN since then. The projects have so far reduced emission of 264,580 tons of CO₂. IIDFC also works with Energy Efficiency, Renewable Energy and Waste Management financing through different specialized funds.

- ☞ Clean Development Mechanism (CDM) project preparation, validation, monitoring and verification support
- ☞ Emissions Trading
- ☞ Energy Efficiency Improvement Consulting
- ☞ Green Finance

Deposit Schemes

IIDFC collects fund through term deposit from both individual and institutional investors. It offers attractive returns to the depositors assuring top most security of their money. The depositors are also allowed to take loan against deposits. IIDFC also offers long term savings in the form of Millionaire Savings Scheme (MSS) and Monthly Deposit Scheme (MDS) for different tenure with attractive return at the maturity.

- ☞ Monthly Earning Scheme
- ☞ Quarterly Earning Scheme
- ☞ Half Yearly Earning Scheme
- ☞ Yearly Deposit
- ☞ Half yearly Deposit
- ☞ 2 years and above deposit
- ☞ Double Money Program
- ☞ Triple Money Program
- ☞ Monthly Deposit Scheme
- ☞ Millionaire Savings Scheme

MESSAGE FROM THE CHAIRMAN



Dear Valued Members
Esteemed Clients
Dedicated Associates
Respected Regulator & Stakeholders

I am delighted to welcome you all to the 25th Annual General Meeting (AGM) of IIDFC PLC. On behalf of the Board of Directors, I am pleased to present the Annual Report containing Directors Report, Auditors Report, Audited Financial Statements and other relevant information to you for the year 2025.

The year 2025 was marked by considerable challenges for Bangladesh's economy and its financial sector. Rising inflation, exchange rate volatility and a tightening monetary policy created a demanding environment for the non-bank financial institutions, including IIDFC, facing liquidity pressures and subdued private investment.

In that climate, the company's performance was affected by the persistent burden of non-performing loans, a challenge shared across the sector. These conditions within almost every Finance Company and across the market created an urgency of strengthening asset quality, improving governance, enlisting full support by the Board and quality services by the Management and thus reinforcing resilience to safeguard long-term stability of an Institution. At IIDFC, we are resolute in our determination to navigate these complexities.

During the period our focus remained clear—enhancing loan recovery, strengthening governance, improving operational efficiency, and diversifying funding sources to support essentials. We believe that the reform measures undertaken by Bangladesh Bank will help restore confidence, discipline and stability in the financial system over time.

We are grateful to our shareholders and we extend our deepest gratitude for their continued trust and to our clients for their confidence and enduring partnership with us. We also remember our employees for their sincerity, good work and dedication which are indispensable to our journey. Together, we remain committed to rebuilding IIDFC, strengthening our foundations and contributing meaningfully to the progress of the national economy.

Finally, as always we, the stake holders remain united and committed to strengthening and rebuilding IIDFC and thus contributing to the financial stability and economic progress of all concerned with the IIDFC PLC and our beloved country.

Sincerely,



Md. Fayaz Alam
Chairman
IIDFC PLC.

DIRECTORS' REPORT

Directors Report to the Shareholders | For the year ended on December 31, 2025

The Board of Directors of IIDFC PLC is immensely pleased to present the Directors' Report along with the Audited Financials for the financial year ended on December 31, 2025 together with Auditor's Report, pursuant to section 184 of the Companies Act 1994 and clause 10.1(Ka) of the DFIM Circular 01, dated February 29, 2024 to the Esteemed Members of the Company. Directors believe that the report will provide deep insights of the Company's performance and operations during the year. The key financial results and other developments for the year ended on December 31, 2025 in IIDFC PLC and its Subsidiaries' business are discussed in this report along with necessary explanations, notes and disclosures to ensure transparency.

STATE OF THE COMPANY'S AFFAIRS: IIDFC PLC

1. Economic Overview: Navigating Challenges and Reforms in 2025

The economic landscape of Bangladesh in 2025 was characterized by a transition period focused on institutional reform, stabilization of the external sector and efforts to manage persistent inflationary pressures. The country navigated a challenging environment of slow growth, currency volatility and structural adjustments under the stewardship of the interim government and Bangladesh Bank.

1.1 Financial Sector Vulnerabilities

Throughout 2025, Banks and Finance Companies of the country faced considerable stress, characterized by tight liquidity conditions and elevated levels of non-performing loans (NPLs). This "increasing stress" further exacerbated the country's economic outlook. Tight liquidity and elevated NPLs directly impede credit growth and overall investment, acting as a significant drag on economic activity.

Recognizing the severity of these issues, Bangladesh Bank has made restoring discipline and stability within the sector a priority, alongside its efforts to manage inflation. The IMF program supporting Bangladesh also specifically emphasizes the urgent need for the swift implementation of new legal frameworks designed to facilitate orderly restructuring while simultaneously safeguarding the interests of small depositors.

A vulnerable financial sector can undermine macroeconomic stability, even if other indicators show improvement. This highlights the critical urgency of comprehensive financial sector reforms to ensure efficient capital allocation and underpin sustainable economic growth.

1.2 Macroeconomic Context & Growth Stabilization

The 2025 calendar year was defined by rigorous institutional cleanup, stabilization of the external sector, and deliberate macroeconomic tightening under the stewardship of the interim government and Bangladesh Bank.

Economic Growth: Real GDP growth stabilized within a muted band of 3.5% to 3.97%. This deceleration was driven by high borrowing costs, structural policy shifts, and a sharp slowdown in private sector investment.

Persistent Inflation: Despite aggressive monetary tightening, headline inflation remained sticky, closing the year at 8.49% (with annual averages peaking near 10%). Supply-side disruptions from monsoon floods and localized distribution monopolies kept food prices high.

Contractionary Monetary Policy: Bangladesh Bank maintained a strict hawkish stance, holding its policy (repo) rate at 10.0% throughout the year to compress excess demand and anchor inflation expectations.

1.3 External Sector Resilience

The external sector emerged as the economy's primary engine of stability during 2025, driven by structural exchange rate changes and strong informal-to-formal channel shifts.

Record Remittances: Expatriate inflows reached a historic high of approximately \$30.3 billion (a 26.8% year-on-year surge), which significantly bolstered foreign exchange reserves.

Currency Stabilization: Following the mid-year transition to a fully market-based, flexible exchange rate mechanism, the Bangladeshi Taka stabilized against the US Dollar, narrowing the current account deficit and easing the persistent dollar liquidity crunch.

1.4 Finance Companies/NBFI Sector: State of the NBFI Sector in 2025

Finance Companies commonly known as the non-bank financial institution (NBFI) sector in Bangladesh faced a turbulent 2025, marked by intense regulatory scrutiny, record levels of non-performing loans (NPLs) and the initiation of formal wind-down processes for several deeply distressed entities.

Asset Quality and Financial Crisis

Surging NPL: By September 2025, NPLs in the NBFI sector reached BDT 29,408 crore, representing over 37% of total outstanding loans. This escalation reflected a shift in regulatory policy, as Bangladesh Bank mandated more transparent reporting, moving away from past practices where bad loans were repeatedly rescheduled to conceal their true status.

Distressed Entities: A group of nine financial companies were prioritized for resolution. The regulator's move to liquidate these firms caused significant liquidity stress as depositors grew anxious and withdrew funds from the sector at large.

Regulatory Reform and Enforcement

Resolution and Liquidations: Utilizing the newly fast-tracked Bank Resolution Ordinance, 2025, the central bank bypassed lengthy judicial delays to take direct administrative control of deeply insolvent financial companies. Winding-down and restructuring processes were initiated for several distressed NBFIs, while deploying a BDT 10 lakh safety net to protect small retail depositors.

Prompt Corrective Action (PCA): Implemented in March 2025, the PCA framework provided a structured, early-warning system to identify and intervene in financially weak institutions based on capital, liquidity, and NPL metrics.

Governance Mandates: The Bangladesh Bank dissolved numerous Boards of Directors and reconstituted them to break cycles of "connected lending." Furthermore, stricter circulars regarding transactions with "bank-related persons" were enforced to mitigate insider abuse.

Operational Challenges

Liquidity and Confidence: The "trust deficit" hampered the sector's ability to raise funds. While robust NBFIs maintained better access to the market, weaker institutions struggled to secure inter-bank liquidity or attract new deposits, leading to a deepening bifurcation within the industry.

External Pressures: The high-interest-rate environment, aimed at curbing persistent inflation (hovering around 8.5%–10% in 2025), increased the cost of funds for NBFIs, further squeezing interest margins and profitability.

The non-bank financial institution (NBFI) sector in Bangladesh faced a turbulent 2025, marked by intense regulatory scrutiny, record levels of non-performing loans (NPLs), and the initiation of formal wind-down processes for several deeply distressed entities. The sector underwent its most aggressive regulatory overhaul in recent history, prioritizing transparency over cosmetic stability.

1.5 Other Challenges

Credit Bifurcation: High borrowing costs and regulatory risk transparency triggered intense risk aversion. Private sector credit growth plummeted to a near-historic low of 6.29%, creating a sharp divide where top-tier, compliant institutions retained market confidence while weak entities faced critical liquidity shortfalls.

Private Sector Credit Growth: Despite a gradual recovery in deposits by March/April 2025, private sector credit growth remained muted as businesses exercised caution amid political uncertainty and high interest costs.

Supply Chain & Global Headwinds: The economy remained vulnerable to global fuel price fluctuations and shipping disruptions, particularly those stemming from regional conflicts, which kept the cost of imported inputs elevated.

The year 2025 functioned as a painful but necessary stabilization phase for Bangladesh. While aggressive financial sector liquidations and tight monetary conditions temporarily suppressed real economic growth and private sector credit expansion, these structural interventions successfully repaired external imbalances, protected baseline depositors, and established a healthier financial foundation for economic recovery.

Despite facing significant economic and political challenges, Bangladesh achieved several key successes in 2025, showcasing its resilience and strategic adaptability. One of the most notable achievements was the sharp improvement in its foreign exchange reserves, record remittance inflows, rising exports and strong support from international development partners like the IMF, World Bank and ADB. Additionally, the country successfully narrowed its current account deficit. Key export sectors, particularly ready-made garments, showed resilience amid global market volatility, while remittances remained a vital pillar of external stability. These achievements reflect prudent policy responses, improved fiscal discipline, and strong engagement with global financial institutions—positioning Bangladesh for a potential rebound in growth in the years ahead.

2. Accounting Principles

The basic accounting principles followed in the preparation of the financial statements in 2024 were as follows:

1. Income from Lease Finance and Direct Finance are recorded on the accrual method of accounting whereas fee-income of Structured Finance is recognized on cash basis.
2. Investment in marketable and non-marketable securities is shown at cost and separate provision made for the diminution of their value.
3. The Loans and Advances at gross amount are shown as 'assets' while 'Interest Suspense' and 'Loan Loss Provision' against classified advances are shown as liabilities. Interest Suspense is deducted from interest income and 'Loan Loss Provision' is shown as expenses in the Profit and Loss Account.
4. The financial statements of the Company and its subsidiaries have been consolidated in accordance with Bangladesh Financial Reporting Standards.
5. The contingent liabilities of Letters of Guarantee and LC commitments have been shown as Off-Balance Sheet items.

3. Details of Reservation, Qualification or Adverse Remark of Audit Report

The Auditors Report was unqualified and no adverse remarks was mentioned. The Auditor also expressed their opinion as the Financial Positions provide a true and fair view in all aspects and Financial Reporting Standards as well as Accounting Standards were maintained during the preparation of the statements. Additionally, few emphasis matters were highlighted for the attention of the stakeholders. Details can be found on the Auditors Report.

4. IIDFC PLC Financial Results

4.1 IIDFC PLC-Solo/Standalone

In 2025, IIDFC's core portfolio in loans and advances considerably decreased to BDT 790.19 crore from BDT 871.25 crore in 2024. Operating Profit was BDT (97.44) crore in 2025 which was BDT (82.81) crore in 2024 and Profit after tax was BDT (165.97) crore in 2025 which was BDT (158.77) crore in 2024. The Company maintaining additional provision for loans and advances along with additional interest suspense as per Bangladesh Bank guidelines, reducing the total loan portfolio as well as interest earning assets, increasing the new classified loans and advances etc. As a result, earnings per share (EPS) reached to BDT (9.55) in 2025 from BDT (9.14) in 2024.

4.2 Comparison: Key Financial Indicators 2025 VS 2024

The summary of the non-consolidated key financials of the Company as on December 31, 2025, as compared to December 31, 2024, are as follows:

Particulars	2025	2024
Profit before provision & tax	(974,463,125)	(828,110,903)
Less: Provision for Loans and Advances	680,684,345	752,583,593
Less: Provision for tax	4,621,085	6,991,649
Profit after provision & tax	(1,659,768,554)	(1,587,686,145)
Add: Retained earnings brought forward	(7,564,721,833)	(5,551,631,967)
Profit available for appropriation	(9,224,490,386)	(7,139,318,112)
Add: Prior year adjustment	(111,235,350)	(425,403,721)
Less: Appropriations	-	-
Total Appropriations	-	-
Profit available for dividend distribution	(9,335,725,737)	(7,564,721,833)

4.3 IIDFC PLC-Consolidated

The Company's Consolidated Profit before Provisioning and Tax in 2025 was BDT (92.52) crore which was BDT (78.73) crore in 2024 and Consolidated Profit after Provisioning and Tax was in 2025 BDT (171.08) crore which was BDT (158.84) crore in 2024.

5. Shareholders' Equity

The Shareholders' Equity stood at BDT (717.52) crore in 2025 which was BDT (540.42) crore in 2024. The Consolidated Shareholders' Equity, was BDT (715.66) crore in 2025 which was BDT (533.45) crore in 2024. Net Asset Value (NAV) was BDT (41.29) in 2025 which was BDT (31.10) in 2024. Earnings Per Share (EPS) was BDT (9.55) in 2025 which was BDT (9.14) in 2024.

Return on average equity was BDT (26.39) in 2025 which was BDT (36.10) in 2024.

The Capital Adequacy Ratio stands at (66.62)%, which is negative than the target set by the Bangladesh Bank at 10 percent for NBFIs.

6. Recommendation of Dividend

Profit after Tax for the year ended on December 31, 2025 was BDT (165.97) crore and Retained earnings in the year ended 2025 was BDT (756.47) Crore. As such, EPS stood at BDT (9.55) in 2025.

In this scenario, pursuant to Section 13 of the Finance Company Act 2023 and Article 98 of the Schedule- I of the Companies Act 1994, no dividend has been recommended by the Board for the year ended on December 31, 2025.

7. IIDFC Securities Limited

Highlights on some of the important events in respect of IIDFC Securities Limited:

The average daily turnover in customers' accounts was BDT.9.90 crore as compared to BDT.10.90 crore in the preceding year. Total trade volume during the year 2025 was BDT.2,377.72 crore, which was 1.92 % of DSE's total trade volume of BDT.124,006.82 crore, as compared to BDT.2560.57 crore, which was 1.72% of DSE's total trade volume of BDT.148,512.14 crore in the preceding year.

The Company has achieved 16th position with DSE for July 2025, which is the highest-ranking position of the Company for the last three years.

IIDFC Securities Limited has launched an Order Management System (OMS) for investors to trade conveniently online. The Board expects the OMS to improve client service, boosting trading activity and business growth.

During the year 2025, the Company successfully reduced its liability and fund cost by taking the following actions:

1. Repayment of loan and interest to IIDFC PLC a total of BDT 6.25 crore, out of which BDT 3.77 crore as principal and BDT 2.48 crore as interest;
2. Repayment of loan and interest to ICB a total of BDT 3.66 crore, out of which BDT 3.53 crore as principal and BDT 0.13 crore as interest;
3. Repayment of overdraft and interest of BDT 6.35 crore, out of which BDT 5.88 crore as principal and BDT 0.47 crore as interest.
4. Total unrealized margin loan written off BDT.4.41 crore.

As of 2025, the outstanding margin loan to the investors stood at BDT 121.99 crore, including BDT 38.20 crore with positive equity and BDT 83.79 crore with negative equity. Specific provision BDT.33.45 crore for the negative equity of margin loan and 1% general provision of BDT 1.22 crore has been made against the total outstanding margin loan. Another provision of BDT. 4.38 crore for diminution in value of an investment in securities has also been made against unrealized loss on investment in securities of BDT 4.38 crore.

7.1 Financial Results- IIDFC Securities

Total Income/Revenue in the year 2025 was BDT 171,747,297 crore that was BDT 159,980,789 in the previous year 2024. Gross profit was BDT 165,761,057 crore in 2025 which was BDT 153,651,022 in the year 2024. Net profit/loss before tax was BDT 43,773,796 in 2025 which was BDT 27,177,955 in 2024. Net profit/loss after tax was negative BDT 13,756,192 in 2025 which was BDT 13,169,757 in 2024.

In the Balance Sheet of 2025, Asset was BDT 2,016,396,468 crore that was BDT 2,401,279,795 in the last year. Net Asset Value (NAV) per share was BDT 10.91 in 2025 which was BDT 11.25 in 2024.

Earnings per share (EPS) was negative BDT 0.34 in 2025 which was BDT 0.04 in 2024.

7.2 Dividend-IIDFC Securities

Although the closing balance of Retained Earnings as of 31st December 2025 was BDT 7.29 crore, the Directors decided not to declare any dividend due to the fact that a substantial amount of non-performing margin loan loss is still to be written off.

8. IIDFC Capital Limited

Despite difficult market conditions, IIDFC Capital Limited focused closely on protecting our portfolio, managing risks carefully and preserving capital. Within this challenging environment, we are pleased to present the key performance highlights and major milestones achieved by the company during the year under review:

Trading & Accounts

During the period under review, our average daily trade volume validated strong growth, rising to BDT 1.15 crore in 2025 from BDT 0.85 crore in 2024, while our client maintenance efforts kept our active BO account base stable at 508 accounts against 501 accounts in the previous year.

Proprietary Portfolio

In terms of asset allocation, the company's proprietary investment portfolio in securities was prudently managed down to BDT 11.52 crore in 2025 from BDT 11.86 crore in 2024, reflecting our strategy to gradually limit exposure to high-volatility equities.

Margin Lending

Concurrently, the margin loan outstanding balance stood at BDT 59.07 crore as of December 31, 2025, compared to BDT 58.30 crore at the close of the prior year.

8.1 Financial Results- IIDFC Capital

Total Income in the year 2025 was BDT 18,983,009 crore that was BDT 22,799,574 in the previous year. Gross profit was BDT 4,252,849 in 2025 which was BDT 12,107,723 in the 2024. Net profit/loss after tax was negative BDT 16,685,983 in 2025 which was BDT 3,021,983 in 2024.

Earnings per share (EPS) was negative BDT 0.28 in 2025 which was BDT 0.05 in 2024.

In the Balance Sheet of 2025, Asset was BDT 815,774,922 crore that was BDT 831,798,144 in the last year. Net Asset Value (NAV) per share was BDT 8.80 in 2025 which was BDT 9.07 in 2024.

However, due to prolonged market instability and historical credit adjustments, the company recorded a negative Retained Earnings balance of BDT 72,756,057 for the financial year ended December 31, 2025.

8.2 Dividend-IIDFC Capital

As there is no distributable profit available for the period and given that a substantial portion of margin loan losses is currently undergoing active write-off and provisioning protocols, the Board of Directors has recommended no dividend for the year 2025.

9. Treasury Operations

The year 2025 was an especially challenging year for treasury management as the competition was overwhelming. Even then, the Treasury Department tried to manage and fulfill its obligations and meet up all its commitments in a timely manner. The dependency on bank borrowing was BDT 564.96 crore on 31st December 2025 as against BDT 549.67 crore on 31st December 2024 which was an increase of BDT 15.29 crore compared to the previous year. The deposits on 31 December 2025 stood at BDT 475.22 crore against BDT 492.40 crore on 31 December 2024 which was a decrease of BDT 16.29 crore or 3.44% compared to the previous year.

10. Credit Rating

IIDFC's credit rating indicates its financial strength over the long term as well as the short term period. As per the credit rating report prepared by National Credit Ratings Limited (NCRL), IIDFC's long-term credit rating is BBB+, which indicates the company's moderate credit quality. The Short-Term Rating is ST-3, which indicates average ability to meet short-term financial commitment. The summary of IIDFC's credit ratings for the years 2026 & 2025 is given below:

SURVEILLANCE ENTITY RATING-2026		
Date of Rating Declaration	Long Term	Short Term
March 11, 2026	BBB+	ST-3
Outlook	Developing	
Validity	March 10, 2027	
SURVEILLANCE ENTITY RATING-2025		
Date of Rating Declaration	Long Term	Short Term
March 12, 2025	A- (Single A)	ST-3
Outlook	Developing	
Validity	March 11, 2026	

11. Carbon Finance

IIDFC has been supervising its Clean Development Mechanism (CDM) projects titled “Improving Kiln Efficiency in the Brick Making Industry in Bangladesh” under UNFCCC successfully since 2011. These projects have 5 (Five) operational HHK Brick Manufacturing Units in the different geographic locations of Bangladesh. These CDM Projects are in the process of transitioning to Article 6.4 under the new mechanism of the Paris Climate Agreement. IIDFC shall initiate verification of the remaining credit period after getting approval from UNFCCC and expects to get around 51,016 tradable CER units. In addition to that, IIDFC has been exploring its opportunity to develop new carbon projects, especially with Renewable Energy Sources and Autoclaved Aerated Concrete block manufacturing firms.

12. Related Party Transactions

The Company has entered into transaction with related entities in normal course of business that fall within the definition of related party as per Interactional Accounting Standard (IAS) 24: "Related Party Disclosures". Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do not involve more than a normal risk. Details has been shown in a table in accordance with the provisions of IAS-24 "Related Party Disclosure", in the audited financials.

13. Material Changes & Commitments

There are no such material changes and commitments which may affect the Financial Positions of the Company. The company is always attached to its own business plan and regulatory guideline and indebted to its shareholders.

14. Retirement by Rotation of the Directors

As per clause 99 and 100 of Articles of Associations of the Company and clause 80, 81 of the Schedule- I, section 91(2) of the Companies Act 1994 and DFIM Circular- 1, dated- February 29, 2024, one third of the Directors shall retire in each Annual General Meeting (not being the 1st General Meeting) and being eligible shall be reelected subject to preapproval of the Bangladesh Bank under Section 15(11) of the Finance Company Act 2023.

As referred above following Directors were recommended to retire in the Annual General Meeting (AGM) and being eligible be reelected:

SL No.	Directors Name	First Joining Date	Last Appointment/ Re-Appointment	Remarks
1.	Mr. A.K.M. Saif Ullah Kowchar Representing City Bank PLC.	05.11.2024	05.11.2024	Recommended to retire by rotation and reelection
2.	Mr. Abu Nayeem Mohammad Mahfuz Representing Bank Asia PLC.	24.11.2024	24.11.2024	Recommended to retire by rotation and reelection
3.	Mr. Krishna Kamal Ghose Representing National bank PLC.	09.02.2025	09.02.2025	

SL No.	Directors Name	First Joining Date	Last Appointment/ Re-Appointment	Remarks
4.	Mr. Md Fayaz Alam Representing Janata bank PLC.	06.04.2025	06.04.2025	
5.	Mr. Md. Abu Sayed Representing Sonali Bank PLC.	06.05.2026	06.05.2026	
6.	Mr. Md. Shakhawat Hossain Bhuiyan Independent Director, IIDFC PLC.	08.01.2026	08.01.2026	N/A
7.	Abu Shadat Mohammad Shahin Managing Director, IIDFC PLC.	13.11.2025	13.11.2025	N/A

15. Appointment of Statutory Auditor

As current Statutory Auditor, Basu Banerjee Nath & Co. Chartered Accountants experienced 3 terms consecutively, they are to leave office of the Statutory Auditor as soon as the AGM concludes as per guideline of Bangladesh Bank and IIDFC PLC is to appoint a new Auditor for the year 2026.

The Audit Committee as well as the Board has recommended to appoint Anil Salam Idris & Co. Chartered Accountants for the financial year ended on December 31, 2026 along with fee of BDT 4,30,000 (VAT Excluded), which is subject to the approval of Bangladesh Bank under section 37 (2) of the Finance Company Act 2023 and the Shareholders at the Annual General Meeting (AGM) under section 210(1) of the Companies Act 1994.

16. HR Activities

The Company has 62 employees as of December 2025, a net decrease of 12 from the previous year. Despite the resignations of 25 executives from Liability, CRM, SME, SAM, Legal, Operations, and Treasury Department, etc., the number of employees decreased although there was new hiring of 13 executives in various positions in the reporting year. Apart from following a comprehensive recruitment policy for identifying the best among the available candidates, we allow our employees to participate in the training programs offered by Bangladesh Bank, Bangladesh Bank Training Academy, Financial Excellence Limited, BDJobs eLearning, BIBM, BIGM, BLFCA, ICAB and ICSB. To advance their professional skill and knowledge, in 2025, a total of 14 employees took part in various training programs, workshops, conferences, discussion meetings, and seminars.

17. Management Appreciation:

The Board of Directors expresses their deep appreciation to all the shareholders, regulators, customers, suppliers, vendors, service providers and partners for their trust and endless support and guidance that led us to the cumulative achievements. Moreover, the Board of Directors thanks the employees for their dedication and invaluable contributions during the period. Our focus for the year ahead will be ensuring the Company's business sustainability as we continue to adapt to the challenges and opportunities.

For and on behalf of the Board of Directors of IIDFC PLC.



Md. Fayaz Alam
Chairman

From the Desk of Managing Director



Dear Shareholders and Stakeholders

Assalamu 'Alaikum Wa Rahmatullah.

It is indeed a great honor for me to welcome you all to the 25th Annual General Meeting of IIDFC PLC. At the very beginning, I wish you all sound health and happiness. I would like to express my heartfelt gratitude and regards to all of you for your continued support and inspiration that helped us to continue our business operation despite facing tremendous challenges throughout the year 2025. In 2025, Bangladesh encountered significant economic challenges marked by persistent inflation, a decline in private investment and ongoing political instability. These factors collectively contributed to an adverse economic climate, complicating fiscal management and diminishing the confidence of both domestic and international investors. Despite having adverse circumstances, IIDFC found its path of continued value creation for all stakeholders.

From the beginning of 2025, many finance companies have been facing liquidity pressure. The interbank call money rate shifted upward and stayed elevated, consistently averaging between 9.7% and 10.14% throughout the year 2025 while the rate hovered between 9.3% and 9.5% in 2024. In 2025, the economy of Bangladesh encountered substantial challenges characterized by elevated inflation rates, a cost-of-living crisis, and a fragile banking sector compromised by loan defaults. The economy also grappled with an expanding balance of payments deficit, a depreciating currency, escalating income inequality, and sluggish export growth. These challenges were exacerbated by structural inefficiencies and inadequate governance, which ultimately led to a decline in confidence in the economic landscape. The Finance Company Act 2023 imposes a cap on deposits for Finance Companies and requires them to recover the cost of funds from borrowers.

Consequently, like other financial institutions, IIDFC could not realize its receivables from the borrowers at a satisfactory level and had to collect and retain high cost deposit.

To strengthen the foundation of the business and safeguard from future uncertainties, IIDFC had taken provision of BDT 558.33 crore till the year 2025 as part of its five years plan for absorbing the provision shortfall as per approval from Bangladesh Bank.

Bangladesh's economy is recovering in 2025, buoyed by rising remittances, stable exports, and falling inflation. However, challenges like slower GDP growth and the need for structural reforms persist.

Considering the overall economic challenges, the management of the Company emphasized doing business cautiously and reducing NPL to maintain a healthy portfolio.

GLOBAL ECONOMY

The global economy is adjusting to a landscape reshaped by new policy measures. Some extremes of higher tariffs were tempered, thanks to subsequent deals and resets. But the overall environment remains volatile, and temporary factors that supported activity in the first half of 2025. The post-pandemic global economic recovery has been uneven and fragile, hindered by geopolitical and policy challenges. The Ukraine-Russia conflict has disrupted energy supplies and food exports, fueling inflation and slowing growth, especially in Europe and developing regions.

In the World Economic Outlook (WEO) April 2025, International Monetary Fund (IMF) has projected that global growth is to drop to 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026 while advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. Inflation is projected to continue to decline globally, though with variation across countries.

ECONOMY OF BANGLADESH

Bangladesh initially experienced a bounce back in its economic growth following the pandemic. The turbulence of 2025, characterized by political unrest, protests, and soaring inflation, had a serious impact in 2025.

However, in the year 2025, the country saw a sharp slowdown, with GDP growth plummeting to just 3.49%, the slowest growth phase in recent history, heavily impacted by domestic political transitions, widespread supply chain disruptions, persistent high inflation, and cautious private sector investment. The government's expansionary budget targets 6.5 per cent GDP growth

aims to reduce inflation to 7.5 per cent, and supports the country's ambition to become a trillion-dollar economy.

CHALLENGES

Bangladesh's economy is facing a series of serious challenges that threaten its growth and stability. Economic growth has slowed, with GDP projections dropping due to weak investment, sluggish exports, and global uncertainty. Persistent high inflation is eroding household purchasing power and straining fiscal resources. The bank and NBFI sectors are struggling with rising non-performing loans and liquidity issues, while low tax revenues limit the government's development funding. Additionally, Bangladesh's heavy reliance on garment exports makes it vulnerable to tariff shocks, especially as it prepares to graduate from its Least Developed Country (LDC) status in 2026, which will remove vital trade privileges.

The recent trends in weighted average lending and deposit rates showed upward movement. The weighted average lending rate was reported at 6.22 % in May 2026. This records a decrease from the previous number of 6.24 % for Apr 2026. At the same time, deposit data is updated monthly, averaging 4.91 % from July 2009 to May 2026.

In FY 2025-2026, both stock markets, the Dhaka Stock Exchange PLC. (DSE) and the Chittagong Stock Exchange PLC. (CSE), experienced some volatility. The market capitalization of all securities decreased significantly in both markets. The benchmark DSEX index ended the year at 4,865 points, shedding 351 points or 6.73% compared to the previous year. The blue-chip DS30 index also declined sharply, losing 86 points or 4.44% to settle at 1,853.

Market activity remained subdued, with average daily turnover falling 18% year-on-year to BDT 521 crore, reflecting investors' reluctance to deploy fresh funds in an uncertain environment.

According to Bangladesh Bank, for the first time in two years, Bangladesh's gross foreign exchange reserves have crossed the \$30 billion mark, reaching \$30.51 billion as of June 26, 2025. This marked a notable recovery compared to previous lows in 2024, heavily underpinned by record-breaking annual remittance inflows totaling over \$30 billion for the fiscal year.

It is noteworthy that exports slightly decreased during the year 2025. Export Promotion Bureau (EPB) indicated that export earnings for the full calendar year 2025 saw a minor contraction of nearly 5% compared to 2024 totals, highlighting structural hurdles and lingering local production disruptions.

Bangladesh's total imports increased in 2025 compared to 2024, rising by roughly 4.59% to reach \$76.82 billion USD up from \$73.45 billion USD in the previous year. However, Bangladesh's remittance inflow continued its upward momentum in 2026, reaching \$35.59 billion -the highest in the last four fiscal years.

Monthly remittances, driven by consistent contributions from migrant workers, averaged \$2.97 billion, with inflows peaking at \$3.75 billion in March 2026.

Despite all challenges, the economy of Bangladesh performs reasonably well due to time-benefitting, appropriate, and supporting monetary and fiscal policies. The near-term economic outlook seems quite favorable, but it critically depends on the length and intensity of Russia-Ukraine war, the spree of interest hikes by the exchange rates. Improvements in these challenges will expedite Bangladesh's future economic gains. However, in case of any adverse consequences of the above external issues, the Bangladesh economy has shown enough resilience to remain stable in its current condition.

IIDFC's PERFORMANCE

The business portfolio of IIDFC decreased to BDT 790.19 crore in 2025 from BDT 871.24 crore in 2024. The Company's consolidated operating loss stood at BDT 66.14 crore at the end of 2025 from operating loss of BDT 52.77 crore in 2024. The Company's non-consolidated operating income stood at negative balance of BDT 82.05 crore in 2025.

IIDFC's Consolidated Loss before Provision and Tax was BDT 92.51 crore in 2025 and Loss after tax was BDT 78.73 crore in 2024. IIDFC's Non-Consolidated Loss before Provision and Tax was BDT 97.45 crore in 2025 and Loss after tax was BDT 82.81 crore in 2024 as against BDT 166.98 crore loss in 2023.

CONCLUDING REMARKS

Due to global pandemic impact followed by the Russia-Ukraine war and ongoing economic challenges, IIDFC, like many other financial institutions, faced challenging time throughout the year 2025. However, despite having such adverse situation, IIDFC managed to persist due to its prudent strategies and decisions. We believe the situation not only impacted the overall business environment severely, but also created new opportunities for the financial sector.

I would like to extend my appreciation and gratitude to the honorable Chairman and respected members of the Board of Directors for their continued support and guidance. I am deeply indebted to the officials of regulatory bodies for their prudent guidance. Finally, I would like to thank all our valued stakeholders as well as my colleagues for their sincere support throughout the journey.



Abu Shadat Mohammad Shahin
Managing Director

Brief Profile of the Directors

Mr. Md. Fayaz Alam

Chairman, IIDFC PLC.
Deputy Managing Director, Janata Bank PLC.



Mr. Md. Fayaz Alam is the Deputy Managing Director of Janata Bank PLC. He possesses a distinguished and accomplished banking career spanning over two decades. Mr. Fayaz Alam commenced his banking journey in 1998 as Senior Officer with Rupali Bank PLC., Bangladesh. In April 2024, he joined Janata Bank PLC. as Deputy Managing Director. Throughout his extensive career, Mr. Fayaz Alam has amassed significant expertise in various fields- including Human Resources, Corporate Banking, Consumer Banking, International Business, Premium Banking, Retail Banking, SME Banking, Compliance, Credit Administration, Research and Planning, Reconciliation, Card Division, Legal, Engineering, Audit & Inspection, Monitoring Division, Sustainable Finance etc.

Mr. Md. Fayaz Alam holds both Graduate and Postgraduate degrees in Bengali from the University of Dhaka, distinguished by his exemplary academic performance. He also completed M. phil Degree from the University of Dhaka. He participated in various training courses and workshops, both locally and internationally.

Mr. Abu Nayeem Mohammad Mahfuz

Director, IIDFC PLC.
Additional Managing Director, Bank Asia PLC.



Mr. ANM Mahfuz is the Additional Managing Director & Chief Business Officer of Bank Asia PLC. He joined the Bank on 1 March 2023.

Mr. Mahfuz has a chequered and successful banking career of about three decades to his credit. He started his banking career as Officer in 1998 with ANZ Grindlays Bank where he worked in Consumer Banking. Then he served Standard Chartered Bank for more than 18 years in different capacities, viz., Sales Team Manager, Branch Sales & Service Manager, Cluster Head, General Manager of Consumer Banking, Head of Priority Banking, Head of Distribution, Head of CEPG and lastly as Head of Client Acquisition. As Head of Client Acquisition, he streamlined the efforts and activities of Retail Banking Client Acquisition units to meet and increase new business and customer acquisition goals. Later on, he joined Prime Bank Limited in May 2018 as Senior Executive Vice President where he managed the transformation of Consumer Banking business with various digital innovative products and services and supervised and led Consumer Banking Business which comprised of Cards, Alternative Delivery Channel (ADC), Agent Banking, Service Quality, Branch Distribution Network, Consumer Products and Sales, Priority Banking etc. He also played a pivotal role in the centralization of Prime Bank's branch operations. Due to his contribution for the bank, he was promoted in the rank of Deputy Managing Director and Chief Business Officer in January 2020.

Mr. Mahfuz possesses Graduate and Post Graduate degrees in Economics from the University of Dhaka with excellent academic credentials.

Brief Profile of the Directors

Mr. A.K.M Saif Ullah Kowchar

Director, IIDFC PLC.
Deputy Managing Director & Head of ICC, City Bank PLC.



Mr. A K M Saif Ullah Kowchar, FCA is the Deputy Managing Director & Head of ICC at City Bank PLC. He is a seasoned professional with over 24 years of extensive, cross-border experience in banking, finance, professional services, and telecommunications. Before joining City Bank PLC, he served in leading institutions such as Citibank N.A. (in both Bangladesh and the Philippines), Pacific Bangladesh Telecom Ltd., and KPMG. During his tenure at Citibank N.A., Mr. Saif led major assurance and transformation initiatives across South Asia and the Asia Pacific region. His exceptional performance was recognized with the prestigious CCO and Asia CSS Awards. At City Bank, his leadership in resolving complex regulatory, compliance, and transformation challenges earned him the City Bank Board of Directors Integrity Award.

Mr. Saif is an Associate Chartered Accountant from the Institute of Chartered Accountants in England and Wales (ICAEW) and a Fellow Chartered Accountant of The Institute of Chartered Accountants of Bangladesh (ICAB). Over the years, he received extensive training in ICAAP, Basel II and III, AML, Core Banking, Cash Management, Product Costing, and Leadership Development from reputed institutions including Citibank and SingTel. He is widely respected in the banking and financial community for his integrity, strategic insight, and commitment to excellence.

Mr. Md. Abu Sayed

Director, IIDFC PLC.
Deputy Managing Director, Sonali Bank PLC.



Md. Abu Sayed joined as deputy Managing Director of state owned Sonali Bank PLC. prior to his joining, he also severed as General Manager in the same bank. Earlier he promoted as DMD from General Manager through a circular of Financial Institutions Divisions on 9 April. Later he was posted to Sonali Bank PLC. on 24 April.

Md. Aby Sayed started his banking career as Senior Programmer (SPO) of Sonali Bank in 2004. He held different positions in Sonali Bank with efficiently and successfully such as local office, chief of different division at head office, different Principal office and General Managers' office.

He Completed graduation and post-graduation in Physics from University of Dhaka. Later he obtained MBA degree from the same University. He also obtained DAIBB degree from the Institute of Bankers, Bangladesh. He attended some professional training in home and abroad.

Brief Profile of the Directors

Mr. Abul Kashem

Director, IIDFC PLC.
Deputy Managing Director, National Life Insurance PLC.



Mr. Abul Kashem began his service career by joining in National Life Insurance PLC. as Marketing Agent in 1991. He has been serving this company for 32 years and acquired a sound working experience in life insurance business especially in micro insurance business. Beyond this, he carried out the duties at different field level offices, zonal and area Offices of the company and gathered vast experience about life insurance business. He is a dedicated executive feels proud of being part of bringing the company in its present position. At present he is holding the charge of Jana Bima Department of NLI. He participated in different training program and seminar at home and abroad. He obtained MSS degree from Dhaka University.

Mr. Krishna Kamal Ghose

Director, IIDFC PLC.
Executive Vice President & CFO, National Bank PLC.



Mr. Krishna Kamal Ghose, FCA, currently serves as the Executive Vice President & Head of Financial Administration Division of National Bank PLC. With over 21 years of diverse experience in banking and finance, Mr. Ghose is a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). Commencing his professional journey in a reputed CA firm in Bangladesh, he played integral roles in various segments. Throughout his career, he actively participated in training sessions and seminars focused on banking, accounting standards, and taxation. Mr. Ghose obtained his Bachelor's and Master's degrees with major in accounting from Jagannath University.

Brief Profile of the Directors

Mr. Md Shakhawat Hossain Bhuiyan

Independent Director, IIDFC



Mr. Md Shakhawat Hossain Bhuiyan, former Executive Director of Bangladesh Bank. He completed his graduation from the Department of Applied Physics and Electronics, Dhaka University. After that he completed his MBA (with major in finance) and awarded Chancellor's gold medal. He is a DAIBB.

He joined Bangladesh Bank as AD in 1993 and has 32 years of experience on banking and financial sector.

He participated in various training courses and workshops both locally and internationally.

Mr. Bhuiyan is also a writer, member of Bangladesh Bridge Federation. Moreover he is an amateur wildlife photographer and conservationist.

Mr. Abu Shadat Mohammad Shahin

Managing Director, IIDFC PLC.



Mr. Abu Shadat Mohammad Shahin joined IIDFC PLC as Deputy Managing Director on September 2, 2024. Subsequently, he was appointed as Managing Director effective from 13 November 2025 as per circular of Bangladesh Bank.

Mr. Shahin brings over 25 years of professional experience in the financial sector, having held various roles throughout his career. He began his career in August 2000 with Arab Bangladesh Bank Limited as a Probationary Officer (10th Batch) and gained experience in different departments. Before joining IIDFC, he worked for renowned private commercial banks, Arab Bangladesh (AB) Bank, BRAC Bank and Midland Bank. He also worked for IPDC and IIDFC-two leading NBFIs before joining Uttara Finance as Deputy Managing Director. His extensive experience in Branch Banking, CRM, SME, Emerging Corporate, and Large Corporate business has enabled him to understand and serve the market profitably and sustainably. Throughout his career, he has received numerous awards for his outstanding performance.

Mr. Shahin holds a Bachelor of Business Administration (BBA) and a Master of Business Administration (MBA major in Finance) from Jahangirnagar University. He has also completed an Advanced Certificate in Business Administration (ACBA) from the Institute of Business Administration (IBA), University of Dhaka, and the Banking Diploma (Part I & II) from The Institute of Bankers, Bangladesh (IBB). Additionally, he has attended numerous training programs, workshops, and seminars on Credit Risk, Corporate Finance, MSME Financing, Loan Structuring, International Trade, Ethical Banking, Green Financing, and Leadership, both in Bangladesh and abroad.

MANAGEMENT COMMITTEE



Sitting (From Left)

- 1. Jyonto Kumar Biswas**
SVP & Head of ICT
- 2. Abu Shadat Mohammad Shahin**
Managing Director
- 3. Sanjoy Karmaker**
VP & Head of Finance & Accounts

Standing (From Left)

- 1. Hafiz Ullah Khan**
Manager & Head of CRM (CC)
- 2. Hasibul Islam**
AVP & Head of SAM
- 3. Sanjib Kumar Sarker**
AVP & Head of Liability
- 4. Mr. Musaddiq Ahmad Nadim**
Assistant Manager & In Charge of HR
- 5. Shamim Ahamed**
Sr. Manager & Head of Treasury
- 6. Md. Ashraf-Ur-Rahman**
Manager & Group Company Secretary

SENIOR EXECUTIVES & LINE MANAGERS



Soumen Saha
Senior Manager
In-Charge of Credit Administration



Mohammad Shamim Mia
Senior Manager
In-Charge of Liability Operations



Nadia Alam Chaity
Manager
In-Charge of ICC



Md. Tahsinul Wahed
Manager
In-Charge of Branding



Mohammad Iman Ali
Manager
In-Charge of SME Department



Md. Aurangazeb
Senior Manager
Head of Uttara Branch



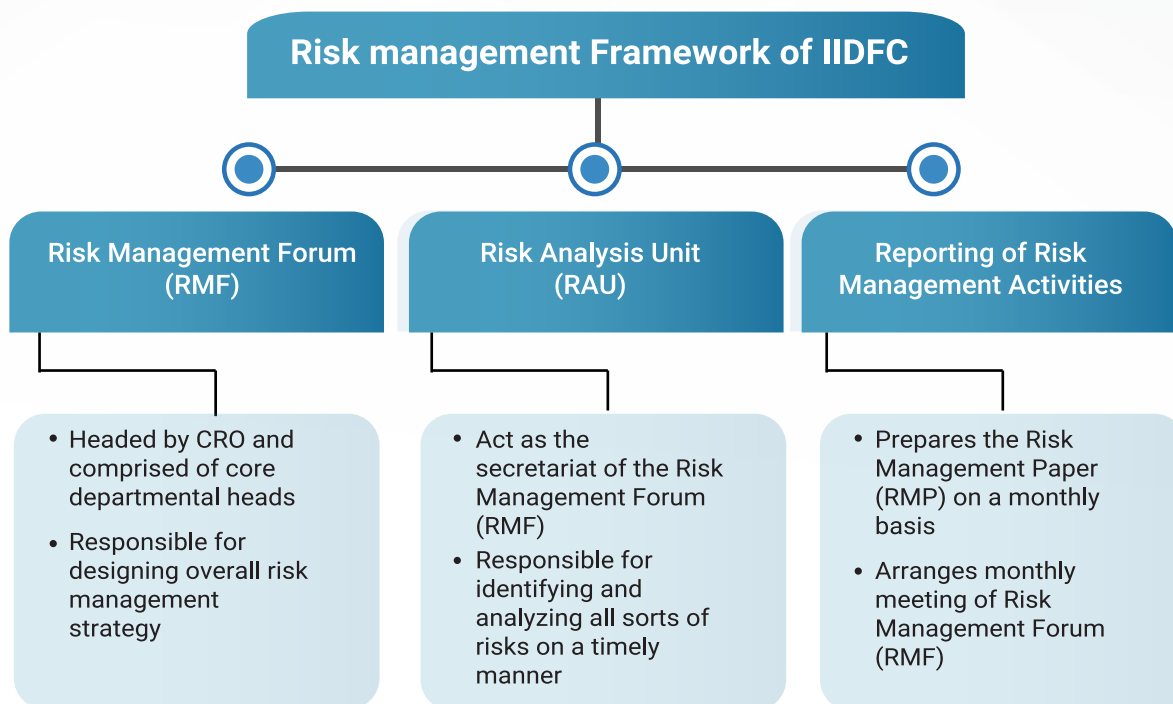
Md. Salahuddin Bhuiyan
Deputy Manager
Head of Chattogram Branch (CC)

RISK MANAGEMENT & CONTROL ENVIRONMENT

Risk management Framework:

Managing risk is one of the primary concerns of the Banks and NBFIs operating in Bangladesh. With a view to attain an effective risk management and control system, the management of Industrial and Infrastructure Development Finance Company (IIDFC) ensures that the risk management framework is entrenched into the overall business process, culture, practices and structure of the company. The company rigorously follows ongoing best market practices as well as the “Integrated Risk Management Guidelines for Financial Institutions” issued by the Bangladesh Bank.

Risk Management Framework of IIDFC is as follows:



a) Risk Management Forum (RMF):

IIDFC have an effective Risk Management Forum (RMF) which was formed as per the DFIM Circular No. 1 dated April 07, 2013. It is headed by the Chief Risk Officer (CRO) and comprised of core department heads and Risk Analysis Unit (RAU) as follows:

Sl.	Designation	Position in RMF
01.	Managing Director	Chief Risk Officer
02.	Head of Accounts	Member
03.	Head of Corporate Finance	Member
04.	Head of Treasury	Member
05.	Head of SME Finance	Member
06.	Head of Operations	Member
07.	Head of CRM	Member
08.	Head of ICC	Member
09.	Head of ICT	Member
10.	Risk Analysis Unit (RAU)	Member Secretary

Key responsibilities of the RMF includes the following:

- Designing overall risk management strategy;
- Communicating views of the board and senior management regarding the Risk Management Culture and Risk Appetite all over the organization;
- Preparing risk management policies and procedures;

- iv. Overseeing the Capital Management functions in accordance with the Risk Based Capital Adequacy measurement accord i.e. BASEL-II;
- v. Developing and overseeing implementation of stress testing;
- vi. Determining the most cost-effective way to minimize the risks;
- vii. Developing overall information system/MIS to support risk management functions; and
- viii. Reviewing the market conditions, identifying the external threats and providing with recommendations for precautionary measures accordingly.

b) Risk Analysis Unit (RAU): Risk Analysis Unit (RAU) of IIDFC is responsible solely for identifying and analyzing all sorts of risks in an appropriate and timely manner. RAU acts as the secretariat of the Risk Management Forum (RMF). However, it is independent from all other units/divisions of the organization. RAU of IIDFC is responsible exclusively for the followings:

- i. Collecting all relevant data related to the risk indicators from different models and information system at the earliest;
- ii. Assessing the quality, completeness and correctness of those data;
- iii. Identifying and quantifying the risks and their exposures to material loss;
- iv. Preparing Risk Management Paper (RMP) in monthly basis; and
- v. Conducting periodic Stress Testing.

c) Reporting of Risk Management activities: RAU of IIDFC prepares a Risk Management Paper (RMP) with a detailed analysis including trend analysis of all categories of risk with adequate updated data every month. The RMP is placed in the monthly meeting of the Risk Management Forum. After detailed discussion, RMF recommends some specific action plans for mitigating the identified risks. The updated data of any given month is collected by RAU within 15th of the following month. The meeting of RMF is usually conducted within 20th of the same month. The Risk Management Paper along with the Minutes of the RMF meeting (both hard copy and soft copy) is submitted to the Department of Financial Institutions & Markets (DFIM) of Bangladesh Bank by the end of following month of every quarter.

Disclosure of the Risk Reporting:

Risk Analysis Unit (RAU) of IIDFC prepares the Risk Management Paper (RMP) on a monthly basis and submit it to the Department of Financial Institutions and Market (DFIM) of Bangladesh Bank quarterly. RMP is comprised of a variety of risk indicators ranges from growth in credit portfolio and NPL to Credit-Deposit Ratio and Deposit-Withdrawal concentration. Some major risk indicators from the RMP for the last two years are provided below:

Sl.	Risk Indicators	2025	2024
01.	Total Credit Portfolio	7,901,975,130	8,712,497,438
02.	Annual Disbursement	36,349,376	176,377,498
03.	Sector Concentration Risk- HHI Score	992	859
04.	Product Concentration Risk- HHI Score	6,291	6,310
05.	Directors' Exposure (IIDFC Securities Ltd.)	143,344,921	181,077,880
06.	Percentage of Total Portfolio	1.81%	2.08%
07.	Total NPL in Amount	6,028,678,447	6,295,291,999
08.	NPL as a Percentage of Total Portfolio	76.29%	72.26%
09.	Provision Required for Loans & Investment	5,583,443,693	4,902,882,945
10.	Provision Maintained for Loans & Investment	5,583,443,693	4,902,882,945
11.	Provision Surplus (Shortfall)	-	-
12.	Cost of Fund Percentage	11.24%	11.01
13.	Base Rate Percentage	13.75%	13.64%
14.	Total Capital Market Exposure	516,644,921	576,373,149
15.	Statutory Liquidity Required	220,459,325	221,248,405
16.	Statutory Liquidity Maintained	337,192,583	362,804,537
17.	Statutory Liquidity Surplus (Shortfall)	116,733,259	141,556,132
18.	Cash Reserve Required	49,892,584	51,039,061
19.	Cash Reserve Maintained	50,410,479	54,070,534

20.	Cash Reserve Surplus (Shortfall)	517,895	3,031,474
21.	Sources of Fund*	12,563,240,792	12,581,226,821
22.	Utilization of Fund	8,692,033,669	9,500,790,918
23.	Credit Utilization Ratio	69.19%	75.52%
24.	Total Deposit Portfolio	4,753,152,330	4,923,986,962
25.	Top-10 Deposit Amount (Individual)	440,855,540	414,270,740
26.	Percentage of Total Deposit	9.28%	8.41%
27.	Total Eligible Capital	(7,046,377,701)	(5,270,380,476)
28.	Total Risk Weighted Assets	10,577,625,672	10,993,348,569
29.	Capital Adequacy Ratio	-66.62%	-47.94%
30.	Minimum Capital Requirement	1,057,762,567	1,099,334,857

***Note:** Sources of fund comprised of bank borrowings, deposit, paid up capital and reserves. As retained earnings is negative, it is excluded from sources of fund. Otherwise credit utilization ratio depicts abnormal figure.

Risk Mitigation Methodology:

1. Credit Risk: It is the risk that may arise from inability and/or reluctance of the clients to make periodic repayment of installment/interest against the credit facilities on due time. With a view to mitigate such credit risk, IIDFC ensures the roles of following departments:

Departments	Key roles/ functions to mitigate credit risk
Credit Risk management (CRM)	• Scrutinizing the credit proposals received from all business units (Corporate, SME and Branches) to identify risks & compliance issues. • To ensure that credit proposals have been properly analyzed and memos have been prepared complying all the necessary rules, regulations, circular, guidelines vested by the concerned regulatory authorities. • Analyzing credit proposals by identifying risks and mitigation there of. Thorough scrutinizing of the loan proposals and set appropriate facility structure as well as covenants suitable for the related business. • Ensuring that Internal Credit Policy & Internal Credit Circulars are being complied properly. • Maintain effective follow up and supervision and take all possible measures in time to avoid non-performance of assets. • Analysis of Early alert Report and classified loan review. • Perform any other duties as per requirement of the management.
Credit Administration Department (CAD)	• Preparation of sanction advice stipulating all the required terms and conditions applicable for the related credit facilities. • To prepare security documents and ensure that all security documentation complies with the terms of approval to control loan disbursements. • To maintain control as well as preserve all security documents. • To monitor insurance coverage to ensure appropriate coverage is in place over assets pledged/hypothecated as collateral, and is properly assigned to IIDFC. • To monitor borrowers compliance with covenants and agreed terms and conditions, and general monitoring of account conduct/performance. • To provide the respective departments with all circulars and guidelines issued by regulatory authority.

Special Asset management (SAM)	• To monitor and maintain the files of classified accounts with support from concern RMs and also review all documentations, meeting between the customer and RM as well as to prepare Classified Loan Review Report to CRMD to update the status of the action/recovery plan. • To initiate legal actions for any default accounts, Special Asset Management Department will place recommendations in consultation with Business unit(s) and approval of Managing Director.
	• To initiate write off of loans with recommendation of business unit(s) and submitting before the Board for approval. • To assist RM in collecting overdue from overdue clients.

2. Liquidity Risk: Liquidity risk arises when liquid assets are insufficient to meet maturing financial obligations. It may also arise due to organization's inability to settle its liability. Liquidity risk management is the main concern of ALCO. The ALCO of IIDFC consists of Managing Director, Chief Financial Officer, Company Secretary, Treasury, Business Units, CRM and Accounts. In order to mitigate liquidity risk, IIDFC ensures following roles of Treasury department and ALCO:

Department / Committee	Key role / functions to mitigate liquidity risk
Treasury	1. To provide quick finance to the company by making effective cash management. 2. Financial Planning and forecasting cash flows. 3. Borrowing of Funds/ Deposit mobilization. 4. Financial Assets management.
ALCO	1. To analyze the information relating to money market position and competition. 2. To formulate policy regarding management of liquidity and interest rate risk of the Company. 3. To set guidelines for establishment of effective methods of Asset Liability Management. 4. To set guidelines for optimum utilization of the financial resource of the Company. 5. To set limits for liquidity, interest rate, exchange rate and equity pricing risks. 6. To assess and identify the possible sources of risk in connection with the funding and lending activities. 7. To evaluate the strength of existing risk management tools and find out its possible ways of improvement. 8. To monitor compliance with the regulations of Bangladesh Bank in respect of statutory obligations and ensure timely submission of reliable and relevant information.

3. Operational Risk: Operational risk is the possibility of economic losses attributable to the deficiencies of internal control and Corporate Governance. Such deficiencies can occur due to human error, inadequate internal process, failed technical system, internal fraud etc. To mitigate operational risk, IIDFC ensures the following roles of Internal Control & Compliance (ICC) department:

Department	Key roles / functions to mitigate operational risk
Internal Control & Compliance (ICC)	1. To verify continuing adequacy and applicability of credit risk management policies and procedures, provide an independent assessment of the credit portfolios' existence, quality and value, the integrity of the credit process, and promotes detection of problems relating thereto.

	2. To prepare annual audit plan to be approved by the Audit Committee of the Board according to which the audits are to be carried out. The frequency of audits and the individual audit areas should be stipulated in the Company's plan. 3. To prepare a comprehensive audit report. 4. To verify the self-assessment report on AML/CFT issues prepared by branch, assessing risks and visiting the branch on the basis of risks impacts and inform the matter to the central compliance unit (CCU).
	5. To perform Independent Testing Procedures according to BFIU, Bangladesh Bank checklist, examining the Anti-Money Laundering & terrorist financing activities, rating based on examination and finally report to the central compliance unit (CCU). 6. To monitor the swift correction of any problems detected in the audit as well as the implementation of its recommendations in a suitable form, and if necessary to schedule a follow-up audit.

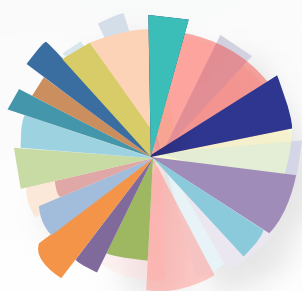
FINANCIAL HIGHLIGHTS OF IIDFC PLC.

Financial Highlights

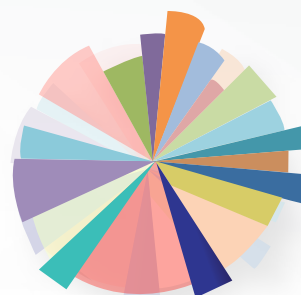
BDT in Million

Particulars/Year	IIDFCL (Solo)			IIDFCL (Consolidated)		
	2025	2024	2023	2025	2024	2023
Profit and Loss Account						
Operational Revenue	351.21	394.14	759.45	519.27	548.97	909.55
Operational Expenses	1,325.67	1,222.25	1,178.68	1,444.45	1,336.26	1,303.97
Operating Profit	(974.46)	(828.11)	(419.24)	(925.18)	(787.29)	(394.41)
Profit after Tax	(1,659.77)	(1,587.69)	(1,221.33)	(1,710.87)	(1,588.35)	(1,253.45)
Balance Sheet						
Total Leases, Loans & Advances	7,901.98	8,712.50	10,026.45	9,569.25	10,541.98	11,940.98
Leased Finance/Advances	1,148.03	1,273.61	1,472.22	1,148.03	1,273.61	1,472.22
Term finance	6,753.94	7,438.88	8,554.22	6,610.60	7,252.05	8,341.60
Margin loan	-	-	-	1,810.62	2,016.32	2,127.16
Investments (Shares, bond, unit fund etc.)	441.32	474.16	489.13	856.49	897.69	857.23
Provision for Loans & Investments	5,583.44	4,902.88	4,419.27	5,934.87	5,186.27	4,685.50
Shareholders' Equity	(7,175.20)	(5,404.20)	(3,391.11)	(7,156.61)	(5,334.50)	(3,316.95)
Reserve & Surplus	(8,912.98)	(7,141.97)	(5,128.88)	(8,894.39)	(7,072.28)	(5,054.72)
Paid up Capital	1,737.77	1,737.77	1,737.77	1,737.77	1,737.77	1,737.77
Important Ratios						
Earnings Per share (BDT)	(9.55)	(9.14)	(7.03)	(9.85)	(9.14)	(7.21)
Return on Average Equity (%)	(26.39)	(36.10)	(47.78)	(27.39)	(36.72)	(50.83)
Total nos. of Shares (in quantity)			173,777,068	173,777,068	173,777,068	173,777,068

SECTOR-WISE EXPOSURE



Year 2025



Year 2024

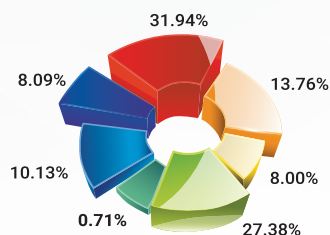
■ SECTOR-WISE EXPOSURE

SL. No.	Sector-wise Loans & Advances:	Year 2025		Year 2024	
1.	Agricultural Sector	399,603,140	5.06%	440,591,280	5.06%
2.	Textiles	915,467,168	11.59%	1,009,368,572	11.59%
3.	Garments	1,405,296,762	17.78%	1,549,441,024	17.78%
4.	Jutes & Jute Related Goods	427,569,894	5.41%	471,426,643	5.41%
5.	Food Items Producer/Processing Industries	93,420,424	1.18%	103,002,754	1.18%
6.	Plastic Industries	262,566,217	3.32%	289,498,189	3.32%
7.	Lather & Lather Goods	21,001,475	0.27%	23,155,641	0.27%
8.	Iron, Steel and Engineering	498,565,091	6.31%	549,703,967	6.31%
9.	Chemical and Pharmaceuticals	122,863,971	1.55%	135,466,389	1.55%
10.	Cement/Clingker and Allied Industries	173,422,383	2.19%	191,210,684	2.19%
11.	Service Sector (Hotel, Hospital, Clinic, Tourism, etc.)	40,412,954	0.51%	44,558,196	0.51%
12.	Paper, Printing & Packaging	177,020,320	2.24%	195,177,669	2.24%
13.	Telecommunication and IT Industries	700,416,960	8.86%	772,260,209	8.86%
14.	Glass and Ceramic Industries	91,015,601	1.15%	100,351,264	1.15%
15.	Electronics and Electrical Goods	344,347,839	4.36%	379,668,325	4.36%
16.	Power, Gas, Water and Sanitary	51,066,887	0.65%	56,304,926	0.65%
17.	Transport and Communication	342,624,279	4.34%	377,767,976	4.34%
18.	Real Estate and Housing	395,363,147	5.00%	435,916,381	5.00%
19.	Merchant Banking	164,232,232	2.08%	181,077,880	2.08%
20.	Others	1,275,698,386	16.14%	1,406,549,469	16.14%
Total		7,901,975,130	100.00%	8,712,497,438	100.00%

SOURCES OF FUND & OUR BANKERS

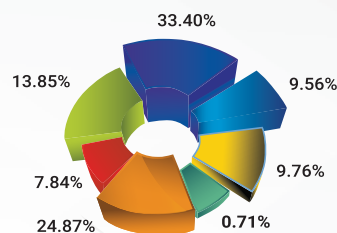
SOURCES OF FUND

Year 2025



Call Loan Borrowing:	0.71%
Banks/FIs Deposit:	13.76%
Deposit Other than Banks/Fis:	31.94%
Short Term Loan:	10.13%
Overdraft:	8.09%
BB Refinance Loan Balance:	8.00%
Term Loan:	27.38%

Year 2024



Call Loan Borrowing:	0.71%
Banks/FIs Deposit:	13.85%
Deposit Other than Banks/Fis:	33.40%
Short Term Loan:	9.76%
Overdraft:	7.84%
BB Refinance Loan Balance:	9.56%
Term Loan:	24.87%

OUR BANKS

SL. No.	Particulars	Branch Name
1.	AB Bank PLC.	Principal Branch
2.	Agrani Bank PLC.	Principal Branch & Purana Paltan Corporate Branch
3.	Bank Asia PLC.	Principal office Branch, Agrabad Branch, Sonargaon-Janapath Road Branch
4.	BRAC Bank PLC.	Head office & Gulshan Branch
5.	City Bank PLC.	Head Office and Principal Branch
6.	Janata Bank PLC.	Head Office and Principal Branch
7.	Midland Bank PLC.	Head Office, Gulshan Branch
8.	Mutual Trust Bank PLC.	Principal Branch, Head Office
9.	National Bank PLC.	Dilkhusha Branch
10.	NCC Bank PLC.	Foreign Exchange Branch, Head Office
11.	NRBC Bank PLC.	Head office ,Principal Branch, Noya Bazar, Pachaboti, Sadarghat Branch
12.	Prime Bank PLC.	Motijheel Branch
13.	Public Bank PLC.	Principal Branch
14.	SBAC bank PLC.	Head office
15.	Shahjalal Islami Bank PLC.	Foreign Exchange Branch, Head Office
16.	Shimanto Bank PLC.	Head office
17.	Social Islami Bank PLC.	Dilkhusha Branch, Gulshan Branch, Dakkhin Khan Branch
18.	Sonali bank PLC.	Head office, Principal Branch
19.	Southeast Bank PLC.	RK Mission Road Branch
20.	Trust Bank PLC.	Dilkhusha Branch
21.	UCB PLC.	Foreign Exchange Branch
22.	Uttara Bank PLC.	Local Office Branch

Disclosure on Capital Adequacy & Market Discipline

Capital Adequacy Ratio:

The capital adequacy ratio (CAR) measures the amount of capital any financial institution retains compared to its risk and risk weighted assets. It determines how effectively any financial institution can sustain in case of a reasonable amount of loss or how efficiently it can protect the organization against probable financial risks. The CAR is important to shareholders because it is an important measure of the financial soundness of a financial institution.

Two types of capital are measured with the CAR, first the tier 1 capital, can absorb a reasonable amount of loss without forcing the bank to cease its trading and the second type, tier 2 capital, can sustain loss in the event of liquidation. Tier 2 capital provides comparatively less protection to its depositors and creditors.

The CAR provides shareholders with a better understanding of the risks a financial institution is taking with the equity they provide. A bank that continually takes more risks than it can reasonably sustain leaves potential shareholders with a sense that their equity investments are more at risk. A financial institution must maintain a professional level of risk management and sound lending practice to attract the capital that acts as its first line of defense against loss, both expected and unforeseen

Significance of Capital Adequacy:

Capital is the backbone of any business specially, financial institution where capital sufficiency is a prime factor to consider when assessing the safety and soundness of business. A minimum capital level is significantly important for a Financial Institution so that adequate protection against risk can be ensured. A strong Capital Management Policy protects an organization by identifying and mitigating risks, as well as establishes a base of confidence by depositors, creditors, and other stakeholders.

Capital Adequacy gives an overview of a Financial Institution's strength and stability and adequate capital provides assurance to the stakeholders on the company's ability to provide consistent services and financial supports. Capital Adequacy is a basis for measurement of capital that FI needs to hold for ensuring that no excess leverage is taken that could lead to insolvency. Capital Adequacy measurement is expressed as the Capital Adequacy Ratio (CAR), also known as Capital to Risk Weighted Assets Ratio.

CAR is a measure of a financial institution's eligible capital expressed as a percentage of its risk weighted asset. The objective of CAR is built around the Market Discipline, whereby depositors' and creditors get a standardized measurement on the extent to which their wealth is exposed to risk, and thereby establish confidence on the Financial Institution's continuity and strength. The CAR measurement is also directed towards making a financial institution's capital more risk sensitive and shock absorbent.

Basel II guidelines:

According to the capital adequacy guideline the following three points are important to be followed.

- (i) **Minimum Capital:** Minimum capital requirements to be maintained by a bank against credit, market, and operational risks.
- (ii) **Capital Growth:** Process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan.
- (iii) **Public Disclosure:** Framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system. This forms the basis of Market Discipline.

Two Level of Regulatory Capital Requirement:

As per guideline two tiers of capital is required to be kept ie. Tier 1 Capital and Tier 2 Capital.

Core Capital: Tier 1 Capital, also called the 'Core Capital', is the core measure of a bank's financial strength from a regulator's point of view. Banks have to maintain at least 50% of required capital as Tier 1 capital.

Supplementary Capital: Tier 2 Capital is called the 'Supplementary Capital' and represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a financial institution. According to Bangladesh Bank's Guideline for NBFI, the computation of the two capital grades is subject to the following conditions.

- (i) Tier 2 Capital amount will be limited to 100% of the amount of Tier 1 Capital.
- (ii) 50% of revaluation reserves for fixed assets and 45% for securities, and 10% of revaluation reserves for equity instruments are eligible for Tier 2 Capital.
- (iii) General provision in the Tier 2 Capital can be up to a limit of 1.25% of Risk Weighted Asset for Credit Risk

Common capital ratios as per the regulatory requirements are as follows:

Capital Ratio		Statutory Limit
(i) Core Capital Ratio	(Core Capital/ Risk-adjusted assets)	$\geq 5\%$
(ii) Total Capital (Core + Supplementary)	(Total Capital/ Risk-adjusted assets)	$\geq 10\%$

Effective risk management is considered as a central part of the financial and operational management of any company, whereby company sustainability and consistent profit generation are ensured. Only by adopting and strengthening risk management measures can the company deal with the complex and dynamic business environment. Group Risks are managed on an integrated basis. Risk management is incorporated in the Group decision making with regards to strategic planning.

Effective Risk Management

The risks which form the basis for effective risk management are: credit, market, operational, and liquidity risks.

Credit Risk: Credit risk is a risk that the FI will not be able to recover the money it has owed. It occurs due to failure of the counter party to meet its obligations to pay the company in accordance with the agreed terms. The risk depends on the financial strength of the party owing to the bank as well as market factors that affect the value of assets used as lien against the loan. Credit risk calculation recognizes and adjusts for two factors:

- (i) On the Balance Sheet credit exposures refer to the credit risks that the various assets in the balance sheet are exposed to. These assets are weighted according to the degree of the risks exposed.
- (ii) Off Balance Sheet credit exposures refer to the credit risks on the credit equivalent amounts of the various off balance sheet items.

Market Risk: Market risk is the potential for loss in earnings or in economic value of the FI's asset portfolio due to adverse changes in financial market rates or prices. The preferred approach to calculating this risk is VaR (Value at Risk).

Operational Risk: Operational risk is the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses. The risk can be deliberate, accidental or natural. The FI's objective is to minimize the operational risk exposure within a framework of policies and procedures. Risk Weighted Assets (RWA) is a Financial Institution's assets or off-balance-sheet exposures, weighted according to risk. By adjusting the amount of each asset for an estimate of how risky it is, a rough measurement of the company's financial stability can be determined.

Liquidity Risk: Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process.

Capital Adequacy for IIDFC PLC.

At IIDFC, Capital Management Policy sets out the principles and guidelines for effective and prudent capital planning, usage, and management of it. The policy defines the minimum criteria for ensuring that adequate capital is kept, and effective management is performed. Capital Adequacy is explicitly followed in adherence to the statutory compliance and regulatory requirements of Basel II guidelines, affected by Bangladesh Bank from 1st January 2010 and last amended on December 2011. The guidelines are prudently followed to safeguard the IIDFC's ability to continue as a going concern, by establishing a strong capital base, and to maintain high credit rating as well as the confidence of the investors and creditors. At IIDFC, capital planning is done in alignment with the company's risk appetite and profile. Capital goals are set to incorporate both normal and stressful business conditions. As such, the goals take into consideration current and future regulatory requirements and economic conditions, and the expectations of stakeholders. Capital targets accommodate forward looking viewpoints on economic outlook, company's current financial condition, and future uncertainties inherent in capital planning. In line with this objective, capital base is set at 1% higher than the minimum CAR. This ensures full compliance as well as a buffer against capital loss during stressful situations.

The company emphasizes on strong capital management through the followings:

- (i) Maintaining regulatory requirements of capital.
- (ii) Supply and demand forecast of capital to support business strategy and continuity.
- (iii) Incorporate rolling capital plan covering a time horizon of two to three years.
- (iv) Internal Controls and Governance to manage company's risk, performance and capital.

Capital strategies are periodically reviewed to ensure that strong governance and process framework are in place for effective risk management. Material capital risk is assessed periodically, which supports the company's internal capital adequacy requirements. The scope of application of such guidelines applies to 'Solo' as well as to the 'Consolidated' basis.

(i) 'Solo Basis' refers to all positions of the FI and its local and overseas branches/offices.

(ii) 'Consolidated Basis' refers to all positions of the FI (including its local and overseas branches/offices) and its subsidiary companies engaged in financial (excluding insurance) activities like merchant banks, brokerage firms, discount houses, etc. Since IIDFC has subsidiary companies, the guidelines apply to both 'Solo' and 'Consolidated' basis. Breakdown of each category of eligible capital is given below.

(A) Core Capital of IIDFC PLC. is as follows:

(Amount in million)

Particulars	Solo Basis		Consolidated Basis	
	2025	2024	2025	2024
Fully paid-up capital/capital lien with BB	1,737.77	1,737.77	1,737.77	1,737.77
Statutory reserve	371.95	371.95	371.95	371.95
Non-repayable share premium account (Share money deposit)	-	-	-	-
General reserve	50.80	50.80	69.06	69.02
Retained earning	(9,335.57)	(7,564.72)	(9,335.55)	(7,513.44)
Minority interest in subsidiary	-	-	0.15	0.15
Non-cumulative irredeemable preference share	-	-	-	-
Dividend equalization account	-	-	-	-
Other (if any item approved by BB)-share money deposit	-	-	-	-
Less: Shortfall in provisions required against investment in shares	-	-	-	-
Less: Book value of goodwill	-	-	-	-
Total	(7,175.20)	(5,404.20)	(7,156.61)	(5,334.50)

(B) Supplementary Capital of IIDFC PLC. is as follows:

(Amount in million)

Particulars	Solo Basis		Consolidated Basis	
	2025	2024	2025	2024
General provision (unclassified loans up to specific limit + SMA+ Off B/S exposure)	128.83	133.82	372.85	386.37
50% of Assets Revaluation Reserve	-	-	-	-

10% of Securities Revaluation Reserve	-	-	-	-
All other preference shares	-	-	-	-
Other (if any item approved by Bangladesh Bank)	-	-	-	-
Total	128.83	133.82	372.85	386.37

Risk Management

At IIDFC PLC, disciplined risk management is considered as the key to organizational success. With that objective in mind, a strong management structure and risk management system, along with robust policies are developed to allow the company to manage the internal and external, and regulatory environments. A robust risk management framework is built to effectively cover the necessary requirements of managing risk. Establishment and oversight of the Group's risk management framework lies with the Company's Board of Directors. The risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk control standards, and to monitor the risks and adhere to defined policies. Protocols and responsibilities are clearly delineated such that decision making with regards to risk management is taken positively. IIDFC contemplate having the industry practices of identifying, measuring and controlling risks. The Risk management policies and systems are reviewed regularly to reflect changes in market conditions and operations. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

By implementing rigorous risk management policy, risk adjusted returns are maximized, while ensuring that the company remains within its desired risk appetite. Emphasis is given on establishing a risk management culture which considers the underlying assertions:

- (i) Risk considered must be in line with the company's goals and must support the company's risk appetite.
- (ii) Responsibility for identifying and taking risks within the organization lies with every employee.

The company carries the overall responsibility of ensuring that the risk-taking within the organization is disciplined and focused. Accountability is ensured by taking risk agreed by the respective company authorities and assuring that the risks taken are transparent, controlled, reported and falls within the appropriate infrastructure and resource. Future risk emergence is identified, and necessary steps taken to anticipate its impacts. Effective Risk Management Policy and Controls were founded to use the risk as a competitive advantage. Continuous improvement of the risk management approaches and methodologies to enhance current risk policies. Analyze and establish any new or improved policy to strengthen the company's risk management position. Ensuring consistent statutory compliance with regards to capital adequacy and risk management. In accordance with the Basel II guidelines, IIDFC takes precautionary methods against credit, market, operational, and liquidity risks.

(i) Credit Risk: Credit Risk is effectively measured and managed through a framework of policies and procedures. All credit exposures undergo proper approving authority as a means of effective management of counter party credit risk. A defined structure is established for delegation of credit approval authority and for monitoring compliance with appetite. Proper due diligence is applied to review the credit applications. Defined processes and procedures are used to support credit underwriting activities at levels of the business. As a part of proper underwriting standards, appropriate valuations of collateral are done for secured credits.

A counter party is also required to have an approved limit in place, prior to draw down of funds. Every credit party is subject to a credit rating, and the rating is actively monitored as a part of effective credit risk management. Account level activity along with limit utilization monitoring is set as a part of risk trigger-mechanism. This helps to identify early alert situations based on which the company can take proper actions. Potential problem accounts are identified, investigated, controlled and monitored.

Past dues and impaired exposures are defined in accordance with the relevant Bangladesh Bank regulations. Specific and general provisions are computed periodically in accordance with the Bangladesh Bank regulations. The Group writes off a loan or an investment debt security balance, and any related allowances for impairment losses, when Group Credit determines that the loan or security is non-collectable. This determination is made after considering information such as the occurrence of significant changes in the borrower's / issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

(ii) Market Risk: Market Risk management is set as per the parameters defined in the policy. The objective of the Group's market risk management is to manage and control market risk exposures set within the acceptable

parameters, thereby ensuring solvency while optimizing the Group's risk return strategy. Sufficient oversight and reporting are conducted for management of market risk profile. Overall authority for market risk rests with the ALCO. Setting market liquidity as the primary factor for determining the level of limits for portfolio trading, ALCO provides limits for each type of risk in aggregate and for individual portfolios.

(iii) Operational Risk: Operational Risk framework is designed to ensure operational risk identification, assessment, control and monitoring at business and group level. Management of operational risks is an integral part of the roles played by business and the functional teams. The Risk Management Division oversees whether the operational risk exposures fall within the policy. Defined standards of measurement are also outlined which play one of the critical roles of ensuring that the risks are managed within the acceptable tolerance limits. The policies and standards are also reviewed periodically to keep the framework updated. The types of events that could result in material operational risk loss or business disruptions are as follows:

- Internal and external fraud
- Damage to physical assets
- Business process disruptions and system failures
- Failure in service executions and deliveries, as well as process management
- Liquidity Risk is managed by the ALCO team within the pre- defined liquidity limits set by and in compliance with the policies and regulatory requirements. The Treasury division oversees the implementation of policies and other controls relating to liquidity risks while managing the liquidity position of the company on a day-to-day basis.

RWA figure is calculated based on credit, market, and operational risks. Total RWA is determined by first multiplying the amount of capital charge for market risk and operational risk with the reciprocal of the minimum CAR. The resulting figure is added to the sum of the risk weighted assets for credit risk.

Calculation of Risk Weighted Assets

(Amount in million)

Particulars	Solo Basis		Consolidated Basis	
	2025	2024	2025	2024
Credit Risk				
1. On B/S	10,256.01	10,655.47	10,926.73	11,519.04
2. Off B/S	50.14	50.14	50.14	50.14
Market Risk	271.48	287.73	588.87	677.99
Operational Risk	-	-	-	146.59
Total RWA	10,577.63	10,993.35	11,565.74	12,393.76

Capital Adequacy Ratio (CAR) = (Core Capital +Supplementary Capital)/RWA

(Amount in million)

Particulars	Solo Basis		Consolidated Basis	
	2025	2024	2025	2024
Core Capital	(7,175.20)	(5,404.20)	(7,156.61)	(5,334.50)
Supplementary Capital	128.83	133.82	372.85	386.37
Total eligible Capital	(7,046.38)	(5,270.38)	(6,783.76)	(4,948.14)
Risk Weighted Assets	10,577.63	1,099.33	11,565.74	12,393.76
Capital Adequacy Ratio	(66.62)	(47.94)	(58.65)	(39.92)
Core Capital to RWA	(67.83)	(49.16)	(61.88)	(43.04)
Supplementary Capital to RWA	1.22	1.22	3.22	3.12
Minimum Capital Requirement (10% of RWA)	1,057.76	1,099.33	1,156.57	1,239.38
Excess capital over regulatory requirement	(8,104.14)	(6369.72)	(7,940.33)	(6,187.51)

Capital Adequacy Ratio (CAR) of IIDFC is Less than the Bangladesh Bank's CAR requirement of 10%.

Sustainability Reporting

Sustainability Report:

Responsible business practices are founded on the principle of creating long-term value while maintaining a balance between economic growth, environmental stewardship, and social well-being. Organizations committed to sustainability integrate environmental, social, and governance (ESG) considerations into their business strategies, decision-making processes, and day-to-day operations. This approach extends the traditional focus on financial performance by incorporating a broader range of socio-economic and environmental factors that contribute to sustainable development and long-term organizational resilience. By adopting sustainable business practices, organizations strive to minimize their environmental footprint, promote ethical governance, enhance employee well-being, support community development, and foster inclusive economic growth.

Four aspects of annual sustainability report are as follows:

- Corporate Social Responsibility Initiatives.
- Environmental Reporting.
- Obligations to the society and environment; and
- Integrated Reporting.

Key Highlights

- * Replaced the lighting systems of Head Office and Branches with energy saving LEDs.
- * Manpower decreased by 16.22%.
- * Adopted 3R (Reduce, Reuse, Recycle) principle aiming environmental conservation.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES OF IIDFC

As a responsible business IIDFC's CSR activities are performed in line with its social responsibilities to various stakeholders, such as shareholders, employees, government, depositors, investors, borrowers, suppliers, and communities. IIDFC acknowledges that responsible businesses not only concentrate on economic profit generation but also integrate social and environmental concerns in their business operation which has been termed as Corporate Social Responsibility (CSR) model. In addition to economic activities users of accounting information have demanded more information relating to the impact of an institution's activities on the overall society and environment.

ENVIRONMENTAL REPORTING

Environmental reporting outlines organizations' accountability towards the environmental burden where the relationship between an organization and its stakeholders is connected. In broad aspects it consists of three categories, namely, involuntary, mandatory, and voluntary disclosures. Environmental report summarizes information on environmental performance, such as, impact on the environment, performance in managing those impacts including possible mitigation like combating climate change through Clean Development Mechanism (CDM) project in brick making sector that has been facilitated by IIDFC.

GHG Emission Reduction and Energy Efficiency

Carbon Finance: A Market Based Mechanism for Combating Climate Change

IIDFC has been working as a bundling agent on the Clean Development Mechanism (CDM) project titled "Improving Kiln Efficiency in the Brick Making Industry in Bangladesh". These CDM projects are designed under the Kyoto Protocol and regulated by the United Nations Framework Convention on Climate Change (UNFCCC). At present, the project consists of 5 (five) operational HHK brick factories which have been continuing to reduce around 30,000-ton CO₂ equivalent emissions annually. However, these carbon credits could not be quantified due to ending of the crediting period in 2023.

So far, IIDFC distributed USD 2.6 million worth of proceeds among the brick manufacturers in exchange for 264,580 t CO₂ unit. These CDM Projects are in the process of transitioning to Article 6.4 under new mechanism of

Paris climate agreement by December 2026. IIDFC shall initiate verification of the remaining credit period after getting approval from UNFCCC and expect to get around 51,016 tradable CER units.

In addition to the monitoring activities related to the verification, IIDFC has been coordinating occupational health safety and environmental safeguard activities. The factories ensure maintaining certain standards to comply with safeguard due diligence in their workplace under supervision of IIDFC, which is very rare in this sector.

This initiative of IIDFC has introduced and encouraged the use of energy efficient HHK Technology in the brick making sector and is recognized as an additional economic benefit for the investors. The CDM project also supports the reduction of CO₂ gas as well as diffusion of environment-friendly technology in Bangladesh, which is ordinarily known as one of the main air polluters.

OBLIGATIONS TO THE SOCIETY AND ENVIRONMENT

Being a responsible business organization IIDFC is constrained to protect the interests of the environment, society, and all interrelated stakeholders. IIDFC helps prevent financing in environment hazardous industries as per its commitment towards environment and social obligations, and/or to make such investment. IIDFC is dedicated to ensuring that its financing activities support environmentally responsible and socially sustainable development. In accordance with its Environmental and Social Risk Management (ESRM) Policy, environmental and social due diligence are incorporated into the credit appraisal and investment approval process where applicable to assess the relevant risks. Projects that pose significant environmental or social risks are subject to enhanced due diligence, while financing that may contribute to severe environmental degradation or non-compliance with applicable laws and regulations is avoided. The Carbon Development and Management of such types of projects have been operated under the carbon financing department of IIDFC. IIDFC's service coverage includes working as bundling agent in small scale CDM projects, consultancy in large scale carbon credit projects, coordinating and managing entities in programmatic carbon projects.

IIDFC is committed to continuing its obligations towards society and environment through various initiatives.

CONTRIBUTION TOWARDS ACHIEVING SDGS

GOAL 7: Affordable and Clean Energy



IIDFC is committed to increasing its credit facility in the areas of renewable energy, clean energy, and energy efficient industries. Necessary policy reforms have been undertaken to minimize the usage of consumables and encourage savings of electricity, paper, and other resources.

GOAL 8: Decent Work and Economic Growth



The focus of financial activities of IIDFC is to create jobs and to bring sustainable economic growth to the people. IIDFC has been a trusted partner in creating young entrepreneurs by offering a range of products under the Small and Medium Enterprise Finance section. Moreover, under the CDM project a significant number of permanent jobs including women employment have been created, which has enabled significant improvement of the lifestyles of the rural people.

GOAL 9: Industry, Innovation, and Infrastructure



IIDFC has continued its support towards industrial and infrastructural development of the country through its innovative financial products for the last 25 years. IIDFC believes that innovative business ideas are key to sustainable industrial growth for the country and community.

GOAL 10: Reduced Inequality



The core of the policies and regulations of IIDFC is to provide equal opportunity to everyone regardless of individualistic identity. IIDFC acknowledges the necessity of regulations in financial markets and institutions to reduce income inequality as a global challenge that requires global attention.

GOAL 11: Sustainable Cities and Communities



IIDFC has incorporated necessary due diligence in the financing procedures to ensure sustainable growth of industry and infrastructures.

GOAL 13: Climate Action



IIDFC prioritizes financing in sustainable and environmentally friendly projects. IIDFC's CDM Project has directly mitigated emissions of around 30,000 tons of CO₂ annually. With a view to limiting the global mean temperature under 1.5 degrees and avoid the worst effects of climate change IIDFC shall remain open to collaborate with development financial institutions and other relevant organizations to bring innovative and sustainable technologies to Bangladesh and expand participation in carbon trading market.

INTEGRATED REPORTING:

Integrated reporting is an important tool in improving the understanding of the relationship between financial and non-financial factors that determine a company's performance and of how a company creates sustainable value in the longer term. This report is intended for all stakeholders, including shareholders, employees, customers, suppliers, business partners, local communities, regulators, and policy makers.

IIDFC's integrated report follows the guidelines of Integrated Reporting Checklist of the Institute of Chartered Accountants of Bangladesh (ICAB) which resembles the International Integrated Reporting Council. Integrated reporting has two major concepts, i.e., value creation and materiality. This report also showcases how well a company utilizes its capital to add value to the business.

Further discussion on integrated reporting is furnished on "Integrated Report" (Page- 08)

Corporate Governance

Corporate Governance is a combination of policies, practices and processes within the organization through which it is operated and controlled. The main objective of Corporate Governance is to minimize conflicts of interest among stakeholders so that stakeholder's value is maximized.

Corporate Governance deals with the interactions among various stakeholders (Shareholders, Board of Directors and Management) in shaping corporate performance. At IIDFC PLC., the Board of directors provide strategies and policies to promote transparent business models, responsible lending policies and prudent investment guidelines to be followed by the management for performance excellence.

IIDFC PLC. reviews its governance tools and guidelines regularly to ensure that these remain appropriate and in line with regulatory requirements and changing business environment. The Board of directors regularly follows developments in this regard and adopt appropriate Corporate Governance practices and policies to excel stakeholder's benefit.

Board Of Directors

■ Chairman	Mr. Md. Fayaz Alam Deputy Managing Director, Janata Bank PLC.
■ Directors	Mr. Abu Nayeem Mohammad Mahfuz Additional Managing Director & CBO, Bank Asia PLC.
	Mr. A.K.M Saif Ullah Kowchar Deputy Managing Director & Head of ICC, City Bank PLC.
	Mr. Md. Abu Sayed Deputy Managing Director, Sonali Bank PLC.
	Mr. Abul Kashem Deputy Managing Director, National Life Insurance PLC.
	Mr. Krishna Kamal Ghose Executive Vice President & CFO, National Bank PLC.
■ Independent Director	Mr. Md. Shakhawat Hossain Bhuiyan
■ Managing Director	Mr. Abu Shadat Mohammad Shahin

The Board of IIDFC PLC. is responsible for formulation of overall planning, policies, strategies and managing the Company as well as overseeing its general business activities. The Board's actions and decisions are taken in the best interests of the Company, which include the interest of shareholders, employees, customers and other stakeholders. Its aim is to create sustainable value for the stakeholders. The Board approves annual budget, business plan and provide guidance on regular basis. To address the affairs of the Company, the Board is guided by:

- i. Finance Company Act 2023;
- ii. The Companies Act 1994;
- iii. Memorandum and Articles of Association of IIDFC;
- iv. Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC);
- v. Rules and regulations issued by Bangladesh Bank; and
- vi. Other relevant laws and regulations.

Meeting of the Board

The Board held 08 (Eight) meetings in the year under reporting. Meetings were conducted in compliance with the Companies Act 1994, Finance Company Act 2023 and Guidline of Bangladesh Bank. The actions and decisions were taken for the best interest of the Company and Stakeholders.

The Chairman

Role and responsibilities

The Chairman plays a crucial role for proper functioning of the Board of Directors. The role and responsibilities of the Chairman are outlined in compliance with DFIM Circular No 01 dated 29 February 2024 issued by Bangladesh Bank and Corporate Governance Notification issued by BSEC.

The prime role and responsibilities of the Chairman are:

- i. planning and conducting Board meeting under his leadership to ensure proper information to the Board;
- ii. supporting Managing Director to reach the goal through formulation of necessary business strategy;
- iii. ensuring effective communication with the Shareholders, Board of Directors, employees, Government and its agencies, depositors, investors, suppliers and other stakeholders;
- iv. linking Member of the Board and management along with Company Secretary to fix agenda of Board Meeting; and
- v. engaging all the Board members actively.

The Chairman, however, does not participate in or interfere into the administrative or operational affairs of the Company since he does not personally possess the jurisdiction to apply executive authority.

Roles and responsibilities of Board

The Board of Directors is appointed to act on behalf of the Shareholders to formulate policy, guideline and oversee the affairs of the Company. They are directly accountable to the Shareholders and Stakeholders. The Directors present a report each year before the Shareholders in the Annual General Meeting (AGM) on the performance of the Company. The report also includes industry outlook and possible future developments, internal and external risk factors, threat to sustainability, etc. The Board carries out its role and responsibilities based on the Bangladesh Bank's DFIM Circular no. 01 dated 29 February 2024. The key role and responsibilities of the Board are:

Roles of the Board of Directors

a) Establish vision, mission and values

- i. Determine Company's vision and mission to guide and set its current operations and future development strategy.
- ii. Determine the values to be promoted in the Company.
- iii. Determine and review Company's goals.
- iv. Determine Company's policies.

b) Set strategy and structure

- i. Review and evaluate present and future opportunities, threats and risks in the external environment and current and future strengths, weaknesses, opportunities and risks relating to the Company.
- ii. Determine business strategies that support Company's plan.
- iii. Ensure that the Company's organizational structure and capability are appropriate for implementation of those strategies.

c) Delegation of Authority

- i. Delegate authority to management, monitor and evaluate the implementation of policies, strategies and business plans.
- ii. Determine monitoring criteria to be used by the Board.
- iii. Ensure that internal controls are effective.

d) Exercise accountability to Shareholders and Stakeholders

- i. Ensure that communications both to and from Shareholders and Stakeholders are effective.
- ii. Safeguard the interests of Shareholders and Stakeholders.
- iii. Stimulate good will of the Company to support Shareholders and Stakeholders

Responsibilities of Directors

The prime responsibilities of the Directors are:

- i. overseeing implementation of IIDFC's strategic objectives, corporate governance framework and corporate culture by the management;
- ii. ensuring Company's prosperity through directing Company's affairs as well as meeting interests of its Shareholders and Stakeholders;
- iii. overseeing implementation of risk management, internal control and compliance system in line with Bangladesh Bank's Core Risk Guidelines;
- iv. approval and monitoring of investments of the Company;
- v. reviewing of operational budget and performance of the Company, approval of budget, financial statements, purchase or acquisition of property or assets;
- vi. recommendation for appointment or removal of external auditors and determination of the terms of appointment of the external auditors;
- vii. appointment of Managing Director and fixation of his/her terms of appointment including package and facilities subject to Bangladesh Bank's approval;
- viii. approving budget of CSR and taking steps for proper implementation;
- ix. reviewing Company's Human Recourse Policy;
- x. selection, nomination and removal of directors.

The Board duly complies with the guidelines issued by Bangladesh Bank, BSEC, the Companies Act 1994, the Finance Company Act 2023 and other applicable rules and regulations.

The Managing Director

The Managing Director (MD) of IIDFC performs his duties with the highest level of integrity and transparency for the benefit of the shareholders and other stakeholders. He also carries out business and affairs of the Company in an ethical manner and in full compliance with the relevant laws and regulations. As chief executive of the company he is primarily responsible for overseeing Company's day-to-day operations. The MD discharges his responsibilities in terms of the financial, business and administrative authorities vested upon him by the Board and in compliance with DFIM Circular No 03 dated 25 March 2024 issued by Bangladesh Bank. Furthermore, he is responsible for mapping medium to long-term plans and implements the policies and decisions of the Board, as well as coordinates the development and implementation of business and corporate strategies. MD is accountable to the Board and its Committees to run and manage the Company in accordance with approved policies, principles and strategies established by the Board of Directors and rules, regulations and guidelines of Bangladesh Bank and other regulatory authorities.

The Audit Committee

The Audit Committee of IIDFC PLC. assists the Board in fulfilling its overall responsibilities for financial reporting process, internal control system, audit process and the Company's adherence with related laws and regulations and the code of conducts. The Committee carries out its functions based on the Terms of Reference (ToR) as mentioned in the Bangladesh Bank's DFIM Circular No:1, dated February 29, 2024. The Committee constituted by the Board and consists of 3 (Three) members and plays its role accordingly. They have adequate expertise and have good understanding about IIDFC's operations and related risk associates therewith. The Chairman of the Audit Committee is a distinguished banker with high level of experience in this area. The committee reviews the plan of internal and external auditors, the effectiveness of audit, and the independence and objectivity. In 2025, the committee held 5 (five) meetings.

The Composition of members of the Audit Committee is as follows:

SL	Name of the Member	Position in the Committee
1.	Mr. Md. Shakhawat Hossain Bhuiyan	Chairman
2.	Mr. A.K.M Saif Ullah Kowchar	Member
3.	Mr. Abul Kashem	Member

Role of the Audit Committee

a) Internal Control

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and risk management ensuring that all employees understand their role and responsibilities.
- Review of the appropriateness of Management Information System (MIS) including Information Technology (IT) system and its application.
- Review whether internal control strategies recommended by internal and external auditors have been implemented by the management.
- Evaluate the existing risk management procedures for ensuring an effective internal check and control system.
- Reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authorities and place it before the board after reviewing the corrective measures taken by the management.

b) Financial Reporting

- Review the audited financial statements with management and the external auditors to ensure that the financial statements are fairly presented in conformity with the accounting standards set by the regulatory authorities in all material aspects.
- Regular meeting with management and the external auditors to review the financial statements before finalization.
- Attends in AGM to answer the questions regarding financial statements and audit.

c) Internal Audit

- Review the activities of the internal audit team in relation to organizational structure and ensure that no unjustified restrictions or limitations are made.
- Examines the efficiency and effectiveness of internal audit function.
- Review whether the findings and recommendations made by the internal auditors are duly considered by the management.
- Recommendation to the Board regarding change of accounting policies.
- Evaluate adequacy and effectiveness of IIDFC's system of internal controls and risk management procedures.

d) External Audit

- Review the activities of the external auditors and their audit reports.
- Review whether the findings and recommendations made by the external auditors are duly considered by the management or not.
- Recommendation to the Board regarding appointment of external auditors.

e) Regulatory Compliance

Review whether the laws and regulations enacted by the regulatory authorities (Bangladesh Bank and other regulatory agencies) and internal regulations approved by the Board have been complied with.

f) Miscellaneous

- Placement of reports before the Board of Directors regarding rectification/correction status of errors, fraud, forgery and others irregularities identified by internal & external auditors and Bangladesh Bank's inspection team on quarterly basis.
- Performs other supervisory activities as assigned by the Board of Directors along with evaluating Committee's own efficiency on regular interval.

Executive Committee of the Board

The Board of Directors of IIDFC PLC. has formed the Executive Committee of the Board with three members in its 288th Meeting held on July 22, 2026. The Company Secretary acts as the secretary of the Committee.

The Composition of members of the Executive Committee is as follows:

SL	Name of the Member	Position in the Committee
1.	Mr. Md. Fayaz Alam	Chairman
2.	Mr. Abu Nayeem Mohammad Mahfuz	Member
3.	Mr. Md. Abu Sayed	Member

Role of the Executive Committee

The key role and responsibilities of Executive Committee are:

- i) To decide or act in those cases as instructed by the Board of Directors that are not specifically assigned on full board through the Finance Company Act 2023, DFIM Circular no. 01 dated 29 February 2024. and other laws and regulations.
 - a. Approval of all business proposals/investments (non-syndication) to clients up to BDT 150.00 million.
 - b. All renewal, change of fees, rate review, restructuring and extension of moratorium period for the existing facility.
 - c. Any amount of waiver of interest expense, overdue interest, interest capitalized, penal interest and other charges.
 - d. Change of collateral/ security or replacement of the existing one with new security/collateral.
 - e. Release of collateral security for adjustment of partial facility amount.
 - f. Change of leased assets, if the proposed new asset is of the same/superior quality and value.
 - g. Directorship change and name change of the borrowing concern.
 - h. Change in the signatory for any purpose.
 - i. Approval of Credit Line/Term Loan, Overdraft and Security overdraft with Bank's and FI's.
 - j. Approval of opening and relocation of office/ branch within the country.
- iii) To act in accordance with the directions and requirements as defined by the Board from time to time.
- iv) To review and update this Terms of Reference and recommend to the Board necessary changes, if any, for approval.
- v) All decisions taken in the Executive Committee should be ratified in the next board meeting.

Risk Management Committee of the Board:

The Board of Directors of IIDFC PLC. has formed the Risk Management Committee of the Board with three members in its 288th Meeting held on July 22, 2026. The Company Secretary acts as the secretary of the Committee. The role and Responsibility of the committee are primarily governed by DFIM Circular no. 01 dated 29 February 2024, Finance Company Act 2023 and others circulars/ notifications issued by Bangladesh Bank.

The Composition of members of the Risk Management Committee is as follows:

SL	Name of the Member	Position in the Committee
1.	Mr. Abu Nayeem Mohammad Mahfuz	Chairman
2.	Mr. Krishna kamal Ghose	Member
3.	Mr. Abul Kashem	Member

Role of the Risk Management Committee:

(i) Risk Identification and Control Strategy:

The Risk Management Committee is responsible for identifying and formulating appropriate strategies to control the risks of various activities of the Finance Company and ensuring their implementation. The Risk Management Committee will monitor the Finance Company's risk management policies and procedures and make amendments if necessary. The Risk Management Committee will review the existing risk management procedures to ensure effective control measures and will provide instructions to the management authority to take necessary measures.

(ii) Formulation of Organizational Structure:

The Committee will review the Finance Company's risk management policies and guidelines at least once a year; It will propose amendments if necessary and present them to the Board of Directors for final approval. Moreover, it will review the loan approval limit and other limits at least once a year and take corrective measures if necessary.

(iv) Data retention and reporting system:

The risk management committee will examine and approve the data retention and reporting system formulated by the management of the finance company. The committee will ensure that the said system is being implemented properly.

The committee shall record the minutes of their meetings, including proposals, recommendations and summaries, in a specified manner and shall inform the board of directors.

(v) Supervision of the implementation of the overall risk management policy:

The risk management committee shall supervise whether the overall risk management policy of the finance company is being implemented properly. The committee shall supervise whether necessary steps have been taken to address credit risk, market risk, operational risk and other risks.

(vi) Miscellaneous:

1. The decisions and recommendations of the committee shall be presented to the board of directors in summary form on a quarterly basis;
2. The committee shall comply with the instructions issued from time to time by the regulatory authority on various risks related to the activities of the finance company;
3. If requested by the committee, the chief risk officer, internal and external auditors of the finance company shall submit their assessment reports on the relevant matters.

(vii) Calling of Committee Meetings:

1. The Committee may arrange to hold at least 4 (four) meetings a year and at any time if necessary;
2. The Committee may, if necessary, call any officer of the Finance Company to attend the Committee meetings;
3. In order to enable the Committee members to participate and contribute effectively in each meeting, the minutes to be presented at the meeting shall be provided to the Committee members at least 2 (two) days before each meeting;
4. All recommendations/observations of the Committee shall be recorded in the form of minutes.

Management Committee and Sub-Committees

Management Committee(MANCOM)

Managing Director-Head of the Committee
 Deputy Managing Director-Member
 Head of ICT & Administration-Member
 Head of Finance & Accounts-Member
 Head of SAM-Member
 Head of Treasury -Member
 Head of CRM-Member
 Head of ICC-Member
 Company Secretary-Member
 Head of Liability-Member
 Head of HR-Member

As per the guidelines and circulars of Bangladesh Bank (BB), the following existing committees are currently functioning at IIDFC PLC. outlined below:

SL	Committee Name	Member
01	Asset Liability Management Committee	Managing Director – Head of the Committee Deputy Managing Director Head of Liability Operations Head of CAD & Asset Operations Head of Finance & Accounts Head of Liability Head of Structure Finance Head of Corporate Finance Head of SME Head of CRM Head of Treasury – Member Secretary
02	Management Reporting System Committee	Head of ICT-Head of the Committee Head of Corporate Finance Head of Treasury Head of SME Concerned official of SAM Head of Finance & Accounts - Member Secretary
03	Policy Review Committee	Chief Financial Officer-Head of the Committee Head of SME Head of CRM Head of HR
04	Central Compliance Unit	CAMLCO – Head of the Committee Head of Corporate Finance Head of Treasury Head of SME Head of CRM DCAMLCO – Member Secretary Mr. Goutam Chandra das
05	Risk Management Forum	Managing Director – Chief Risk Officer Head of Finance & Accounts Head of Corporate Finance Head of Treasury Head of SME

		Head of CRM Head of ICC Head of CAD & Asset Operations Head of ICT Risk Analysis Unit – Member Secretary
06	Tender Evaluation Committee	Chief Financial Officer – Head of the Committee Head of CAD & Asset Operations Head of Corporate Finance Head of Finance & Accounts Head of Legal Head of ICC – Member Secretary
07	Credit Appraisal Committee	Managing Director – Head of the Committee Deputy Managing Director Head of Finance & Accounts Head of Structure Finance Head of Corporate Finance Head of SME Head of CAD Head of CRM – Member Secretary Branch manager of Uttara Branch
08	Procurement Committee	Head of Finance & Accounts– Head of the Committee Head of Corporate Finance Head of SME Head of ICT Head of Admin Head of CRM
09	Ethics Committee	Managing Director – Head of the Committee Deputy Managing Director Head of ICT – Focal Point Latest Integrity Awardee Mr. Hafiz Ullah Khan Mr. Musaddiq Ahmad Nadim – Deputy Focal Point
10	Sustainable Finance Committee	Head of ICT – Head of the Committee Head of Corporate Company Secretary Head of SME Head of SAM Head of ICC Head of CRM (Head of Sustainable Finance unit)
11	Sustainable Finance Unit	Mr. Hafiz Ullah Khan – Head of the Unit Mr. Arif Ahmed Bhuiyan, Focal Point Mr. Musaddiq Ahmad Nadim Mr. Aninda Roy
12	Central Customer Service & Complaints Management Cell (HO)	Ms. Nadia Alam chaity – Head of Complaint Cell (HCC) Mr. Tarak Nath Saha – Complaint Handling Officer (CHO)

13	Selection Committee for delivering Annual Integrity Award	Managing Director Deputy Managing Director Mr. Jyonto Kumar Biswas, Focal Point of Ethics Committee Head of HR
14	Innovation Team	Mr. Hafiz Ullah Khan – Team Leader Mr. Md. Tahsinul Wahed Ms. Sanjana Islam Mr. Aninda Roy Mr. Talha Zubair
15	BASEL Implementation Committee	Managing Director – Head of the Committee Deputy Managing Director Company Secretary Head of Corporate Finance Head of SME Head of CRM Head of Finance & Accounts - Member Secretary
16	ICT Steering Committee	Managing Director – Head of the Committee Deputy Managing Director Head of ICT Head of Corporate Finance Head of SME Head of Finance & Accounts Head of CRM Head of ICC Head of Legal Head of HR
17	ICT Security Committee	Head of ICT – Head of the Committee Head of Corporate Finance Head of SME Head of Finance & Accounts Head of CRM Head of ICC Head of Legal Head of HR
18	ICT Risk Management	Managing Director – Head of the Committee Deputy Managing Director Head of ICT Head of Corporate Finance Head of SME Head of Finance & Accounts Head of CRM Head of ICC Head of HR
19	Willful Loan defaulter Identification (WLDI) Unit	Mr. Sanjoy Karmaker – Head of the Unit Mr. Hasibul Islam Mr. Mohammad Lutfor Rahman Mr. Hafiz ullah khan Ms. Sanjana Islam

20	Computer Incident Response Team (CIRT)	Mr. Jyonto Kumar Biswas – Chief Focal Point Mr. Md. Masud Rana Mr. Mohammad Lutfor Rahman Mr. Md. Rashed Nizam
21	Cyber Security Management Team	Head of ICT – Team Head Head of CAD & asset Operations Mr. Md Masud Rana, ICT
22	Complaint Committee	Ms. Nadia Alam Chaity – Head of the Committee Ms. Sanjana Islam Mr. Talha Zubair Ms. Nilanjana Maitra Ms. Mst. Champa Akhter
23	Equity Committee	Ms. Nadia Alam Chaity – Head of the Committee Ms. Musrat Sultana – Focal Point Mr. Md. Tahsinul Wahed Mr. Talha Zubair
24	Safety Committee	Mr. Jyonto Kumar Biswas – Head of the Committee Mr. Soumen saha – Head of the Committee Mr. Sayed Md. Farhad Mr. Md. Abu Fazleh Rabby Mr. Arif Ahmed Bhuiyan
25	Citizens Charter	Inspection/Monitoring Committee Managing Director Deputy Managing Director Head of CAD & Asset Operations Head of Corporate Finance Head of SME Head of ICC Execution Cell Mr. Hafiz Ullah Khan – Head of the Cell & Focal Point Mr. Md. Tahsinul Wahed Mr. Talha Zubair (Alternative Focal Point) Ms. Nilanjana Maitra
26	Anti-Money Laundering Compliance Officer	Mr. Sanjoy Karmaker-CAMLCO Mr. Hafiz Ullah Khan-DCAMLCO

ETHICS AND CODE OF CONDUCT GUIDELINE

IIDFC PLC. has established a Code of Conduct to guide all employees in fulfilling their duties and interacting with customers, colleagues, and relevant authorities. This code also outlines the standards for ethical financial practices that every employee is expected to uphold. According to IIDFC's "Ethics and Code of Conduct Guidelines," all employees are required to adhere to these principles and demonstrate the highest ethical standards. These core values are fundamental to IIDFC's operations. Any known or suspected incidents of illegal, unacceptable, or undesirable conduct are treated with zero tolerance. Additionally, IIDFC PLC. fosters a culture where employees are encouraged to speak up and engage in open, honest conversations.

Code of Conduct for Employees

The following issues must be addressed:

- Ensure pleasant working environment in terms of well defined compensation package, goal orientated and performance based job description;
- Provide scope for both professional and career development of the employees;
- Well designed and well maintained working environment as well as procedures to make it reasonably and promptly responsive to the customer needs, along with compliance of legal and regulatory requirements;
- Appropriate training for the employees so that they can discharge their duties efficiently;
- Addressing of other issues which will uphold and embolden the image of the company in an ethical way.

Employee Compliance and Responsibilities

The employees should:

- Protect all confidential information, whether it relates to the company itself or the co-workers, customers, suppliers or others the company does business with.
- Protect all company assets including: information, intellectual property, physical, technological and financial assets and business relationships.
- Comply with Company's rules in public communications, including the use of electronic communications and social media.
- Be accurate and complete in recordkeeping and comply with all internal controls, policies and procedures.
- Be cautious about the intellectual property rights of others.
- Not provide any information to third party without prior approval of competent authority.
- Not accede to or use customers' information excepting related business purposes.
- Protect the confidentiality and security of customer information.
- Not disclose any information of govt. agencies without prior approval of competent authority.
- Keep information about the purchase of goods or services confidential and price quoted, methods, business policy etc. of the vendors should not be disclosed.
- Adhere to proper etiquette and dress code.
- Follow all company procedures regarding document maintenance, retention and destruction.
- Assume information is confidential unless it known otherwise.
- Refrain from acting on the company's behalf in any transaction or relationship where the employees' families have a significant personal connection or financial interest.
- Act in a way so that their activities outside IIDFC are not reflected adversely on IIDFC or triggers a conflict of interest.
- Handle their personal finances responsibly, ethically and in compliance with the law.
- Refrain from seeking or provide recommendations of fellow employees, customers or suppliers of IIDFC without authorization.
- Refrain from using their positions at IIDFC to gain any type of personal benefit or advantage in a business decision or transaction.
- Know when it's appropriate to give and accept gift and when it's not and should keep in mind that some gifts are not appropriate under any circumstances.
- Apply own judgment and ethical concerns in using organization's phones, electronic mail or computing systems for personal requirement.

- Refrain from using company Letter Head for personal correspondence.
- Be aware of the responsibilities they have toward IIDFC even after the end of employment.
- Treat others with dignity, and respect the diversity of cultures, backgrounds and experiences that make up the workforce.
- Report immediately about violations, harassment or discrimination policies whenever these came to their knowledge.
- Be alert to and report any activity that could pose a threat to the physical security of employees or individuals doing business in the Company.
- Do their part to promote a safe, alcohol-free and drug-free workplace.
- Feel free to be involved in the political process and exercise their rights as a citizen, but must make sure political activities and contributions comply with the law and company policies.
- Refrain from involving the company in any political activities or using company resources in connection with political activities.
- Comply with all applicable environmental laws and regulations.
- Cooperate as directed with any investigation, inquiry, examination or litigation related to the company's business.
- Report any breach in "IIDFC Code of Conduct and Ethics" and reach out to the ethics committee for guidance.

Human Capital

An organization thrives through the active participation of its employees, who each contribute uniquely to its success and productivity. Employees spend a significant portion of their day at the workplace, working hard to achieve the organization's goals and objectives. To foster a strong sense of loyalty and commitment, it is essential to motivate employees regularly. This helps them feel connected to the organization and encourages them to deliver their best work. The knowledge and expertise employees develop over time can then be effectively leveraged to further enhance organizational productivity.

Management of Human Capital

Effective Human capital management is crucial for enhancing employee efficiency. IIDFC recognizes resources as the company's most valuable asset, playing a pivotal role in achieving its mission, vision, goals, and objectives. To ensure long-term sustainability, IIDFC places a strong emphasis on a merit-based recruitment and selection process, offers highly competitive remuneration packages, provides comprehensive training and development programs, promotes career growth through succession planning, fosters a high-performance culture, and maintains a positive working environment.

IIDFC's approach to human capital management focuses on:

- i. Hiring the right talent.
- ii. Integrating human resources into the organization.
- iii. Continuously upgrading employee skills through training.
- iv. Retaining top talent.
- v. Empowering employees to become self-sufficient and resilient in the face of challenges.
- vi. Developing employees' skills to help them excel and differentiate themselves in their roles.

Merit-Based Hiring

Merit-based hiring is the process of evaluating job seekers based on their skills, abilities, and knowledge to determine their suitability for a given role. IIDFC follows a structured approach for appointing human resources based on merit, which includes the following steps:

1. Proper evaluation and verification of minimum qualifications specifically related to the duties and responsibilities of the position.
2. Assessment of knowledge, skills, and abilities through written tests and interviews.
3. Relevant experience, degrees, competencies, and professional qualifications are considered additional assets during the selection process.
4. If no applicants clearly exceed the minimum qualifications, the matter is forwarded to top management for further review and consideration. If necessary, management may decide to re-advertise the vacancy.
5. Suitable candidates are shortlisted and invited for a written test and/or interview. A final shortlist is then prepared for the selection panel.
6. Before making the final assessment, the HR team conducts thorough background checks. The final decision is based on all the evaluation criteria.
7. HR issues a job offer letter to the successful candidate, detailing the job title, type of contract, terms and conditions, salary, benefits, and start date.

8. The selected candidate must accept the job offer and return a signed copy to IIDFC. This process ensures that IIDFC hires the most qualified and competent individuals based on merit.

Remuneration & Benefits

IIDFC PLC. offers competitive salary packages and a range of attractive benefits to its employees, including:

- i. Participatory Provident Fund
- ii. Gratuity Scheme
- iii. Leave Fare Assistance
- iv. Encashment of Earned Leave
- v. Interest-Free Car Loan (with an attractive allowance, where applicable)
- vi. Staff Loans at Concessional Rates
- vii. Health Insurance for employees, their spouses, and children
- viii. Group Life Insurance for employees
- ix. Maternity Leave
- x. Mobile Allowance
- xi. Training Opportunities both domestically and internationally
- xii. Study Leave

These comprehensive benefits are designed to support employee well-being, professional development, and work-life balance.

Performance Evaluation

IIDFC follows a structured process to evaluate the performance and qualifications of its employees, ensuring alignment with the specific requirements of their roles. This evaluation process is used for various administrative purposes, including placement and promotion decisions. IIDFC's performance-based evaluation system reflects the company's commitment to rewarding high performance through financial incentives and other forms of recognition, while applying differential treatment where appropriate.

The primary objectives of performance evaluation are to assess:

- i. Alignment with the company's overall objectives.
- ii. Day-to-day job performance.
- iii. Professional development and growth.
- iv. Eligibility for rewards and incentives.

This approach ensures that employees are recognized and rewarded based on their individual contributions and achievements.

The performance appraisal system of IIDFC is an annual process which includes:

- i. Assessment of the financial or non-financial targets,
- ii. Assessment of the competencies of the individual in achieving job requirement,
- iii. Assessment of overall performance.

Training for Human Resource Development

IIDFC places a strong emphasis on human resource development by providing both in-house and external training opportunities, designed to enhance employees' skills on and off the job. Specialized training programs are organized in areas such as loans and advances, information technology, marketing, and accounting, based on specific needs. Extended training sessions are also conducted to address the demand for new and specialized skills. IIDFC offers overseas training for deserving officials who have a proven track record of good performance and a long-term commitment to the company. Additionally, IIDFC regularly updates its courses and programs to align with new skill requirements arising from directives and guidelines issued by Bangladesh Bank and other regulatory bodies.

Promotion, Increment, and Incentive

IIDFC PLC. values efficiency as a key strength of its human capital. To foster this, the Board of Directors has approved various motivational benefits and policies, in addition to the regular pay scale, aimed at maximizing employee efficiency and job satisfaction. IIDFC has established promotion, increment, and incentive bonus plans for eligible executives to motivate and inspire them, supporting both individual growth and the achievement of organizational goals.

REPORTS & FINANCIAL STATEMENTS

Report of the Managing Director and the Head of Finance & Accounts

23 June 2026

The Board of Directors
IIDFC PLC.

Subject: Declaration on Financial Statements for the year ended on 31 December 2025.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMR- RCD/2006-158/ 207/Admin/80, dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of IIDFC PLC. for the year ended on 31 December 2025 have been prepared in compliance with International Accounting Standards (IAS) or international Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view,
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i) We have reviewed the financial statements for the year ended as 31 December 2025 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sd/-

Abu Shadat Mohammad Shahin
Managing Director

Sd/-

Sanjoy Karmaker
VP-Chief Financial Officer (CC)

Independent Auditor's Report

To the Shareholders of IIDFC PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of IIDFC PLC. and its subsidiaries (the "Group") as well as the separate financial statements of IIDFC PLC. (the "Company"), which comprise the consolidated and separate balance sheets as at 31 December 2025 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Rules and Regulation issued by Bangladesh Bank and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) as explained in note # 2.00 to the financial statement.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants including international independence standards (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

1. The Company has been incurring losses for several years, and the accumulated loss stood at BDT (9,335,545,116) as at 31 December 2025. These accumulated losses arose because 76.29% of Loans and Advances have been classified as stated in Note No. 7.05 of the Financial Statements. This has caused capital erosion due to which the company is unable to pay the liabilities including taxes and to support this, it is required to inject fresh capital or deposit funds to continue the company as going concern.
2. We draw attention to the Capital Adequacy Ratio (CAR) under Note No. 14.02(C) to the Financial Statements, where the required capital of the Company as at the close of business on 31 December 2025 amounted to Taka 1,057,762,567. However, the capital adequacy of the Company shows a negative balance of Taka (7,046,377,701), which indicates a capital deficit of Taka (8,104,140,268) in accordance with DFIM Circular No. 08 dated 02 August 2010. The company is taking initiatives to strengthen its capital position and other strategic measures will be essential to improve the regulatory capital requirement over time.
3. With reference to note 13.a.1 and 13.a.2, IIDFC Securities Limited and IIDFC Capital Limited have been allowed by Bangladesh Securities and Exchange Commission (BSEC) to maintain provision against negative equity over the period from 2025 to 2030. To comply with the aforesaid approval of BSEC, both the companies maintained required provision for the year ended 31 December 2025.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements for the year ended 31 December 2025. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
1. Measurement of Provision for Loans and Advances	
The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions. For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation. At year end the Company reported total gross loans and advances of TK. 7,901,975,130 (2024: TK. 8,712,497,438) and provision for loans and advances and others of Tk. 5,583,443,693 (2024: Tk. 4,902,882,945).	We tested the design and operating effectiveness of key controls focusing on the following: • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly classification of loans (CL); Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the company's general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note # 7.00, 13.01 to the financial statements.	
2. Legal and Regulatory Matters	
Risk	Our response to the risk
We focused on this area because the Company and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many Uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the Group's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Group's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Group's provisions and contingent liabilities disclosure.
3. Internal Control & IT System	
Risk	Our response to the risk
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the	We tested the design and operating effectiveness of the Group's IT access controls over the information systems that are critical to financial reporting.

reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.	We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Group's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.
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Other Information

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 02, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020 the Finance Company Act, 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, Proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) The consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) The expenditures incurred were for the purpose of the Company's business for the year;

- (v) The financial statement of the company has been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the company;
- (vi) Adequate provisions have been made for loans, advances, leases, investment and other assets which are in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- (vii) The financial statements of the company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) The records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- (ix) Statement sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- (x) Taxes and other duties were collected and deposited in the Government treasury by the company as per Government instructions found satisfactory based on test checking;
- (xi) Nothing has come to our attention that the company has adopted any unethical means i.e., 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (xii) Proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- (xiii) Based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- (xiv) The company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- (xv) We have reviewed over 80% of the risk weighted assets of the company and we have spent around 1,080 person hours for the audit of the books and accounts of the company;
- (xvi) The company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- (xvii) The company has complied with the Finance Company Act, 2023 in preparing these financial statements; and
- (xviii) All other issues which in our opinion are important for the stakeholders of the company have been adequately disclosed in the audit report.

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC: 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Consolidated Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
PROPERTY & ASSETS			
Cash	3.a		
In Hand (including foreign currencies)		67,266	106,695
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)		50,875,446	54,522,801
		50,942,712	54,629,496
Balance with Other Banks and Financial Institutions	4.a		
Inside Bangladesh		498,889,248	616,168,194
Outside Bangladesh		-	-
		498,889,248	616,168,194
Money at Call and Short Notice	5.00		
Investments	6.a		
Government		-	9,351,423
Others		856,486,064	888,342,782
		856,486,064	897,694,205
Loans & Advances	7.a		
Lease Receivables		1,124,393,989	1,229,273,186
Advance for Lease Finance		23,639,979	44,339,979
Direct/ Term Finance		6,501,194,576	7,128,668,733
Secured Overdraft		7,932,590	8,900,716
Bills Discounted and Purchased		101,469,073	114,475,943
Margin Loans		1,810,622,872	2,016,319,657
		9,569,253,081	10,541,978,213
Fixed assets including premises, furniture & fixtures etc.	8.a	37,439,132	52,640,442
Other Assets	9.a	1,734,117,313	1,781,587,214
Non-banking assets	10.00	4,343,820	4,987,820
Total Assets		12,751,471,370	13,949,685,584
LIABILITIES & CAPITAL			
Borrowings from other banks, financial institutions & agents	11.a	5,684,700,977	5,684,079,595
Deposits & Other Accounts	12.a		
Current Deposits & Other Accounts, etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		4,751,029,433	4,921,369,358
Bearer Certificate of Deposits		-	-
Other Deposits		2,122,897	2,617,604
		4,753,152,330	4,923,986,962
Other Liabilities	13.a	9,470,232,620	8,676,123,399
Total Liabilities		19,908,085,927	19,284,189,956
Capital/ Shareholders' Equity			
Paid up Capital	14.00	1,737,770,680	1,737,770,680
Statutory Reserve	15.00	371,950,483	371,950,483
General Reserve	16.a	69,062,574	69,062,574
Share Money Deposit	17.00	-	-
Stock Dividend	18.a	-	-
Retained Earnings	19.a	(9,335,545,116)	(7,513,439,566)
Total Equity attributable to Shareholder of the Company		(7,156,761,378)	(5,334,655,828)
Non-controlling Interest	19.a.3	146,821	151,458
Total Liabilities & Shareholders' Equity		12,751,471,370	13,949,685,584

IIDFC PLC.

Consolidated Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
<u>OFF-BALANCE SHEET ITEMS</u>			
Contingent liabilities	20.00		
Letters of guarantee		200,562,022	200,562,022
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		<u>200,562,022</u>	<u>200,562,022</u>
Others commitments:			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		<u>-</u>	<u>-</u>
Total off-balance sheet items including contingent liabilities		<u>200,562,022</u>	<u>200,562,022</u>

The annexed notes from 1 to 45 form an integral part of these financial statements

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Consolidated Profit & Loss Account For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	Amount in Taka (Restated)
		31 December 2025	31 December 2024
A. Interest income	21.a	456,424,871	442,487,117
Interest paid on deposits, borrowings etc.	22.a	(1,180,677,237)	(1,076,701,368)
Net interest income		(724,252,365)	(634,214,251)
Income from investment	23.a	(14,399,826)	16,222,852
Commission, exchange and brokerage	24.a	72,248,166	75,529,549
Other operating income	25.a	4,994,276	14,730,750
Total operating income		(661,409,749)	(527,731,101)
B. OPERATING EXPENSES			
Salaries & allowances	26.a	172,261,900	158,161,086
Rent, taxes, insurance, electricity etc.	27.a	15,144,589	16,844,666
Legal expenses	28.a	7,316,123	7,549,853
Postage, stamp, telecommunications etc.	29.a	4,838,368	5,436,660
Stationery, printing, advertisement etc.	30.a	3,530,204	3,517,424
Managing director's salary and fees	31.00	2,874,107	7,920,279
Directors' fees	32.a	1,366,400	1,127,800
Auditor's fees	33.a	770,500	891,250
Loans & advances written-off	34.a	33,054	4,429
Repair, depreciation and amortization of company's assets	35.a	29,927,936	29,308,180
Other expenses	36.a	25,706,035	28,793,508
Total operating expenses		263,769,215	259,555,135
C. Profit/(Loss) before provision (A-B)		(925,178,963)	(787,286,236)
D. Provision for loans & advances	37.a		
Specific provision		124,921,044	702,640,445
General provision		(15,745,333)	(19,983,632)
Provision for diminution in value of investments		3,483,327	88,922,957
Other provision		647,160,216	4,518,838
Total provision		759,819,255	776,098,608
E. Profit/(Loss) before taxes (C-D)		(1,684,998,218)	(1,563,384,844)
F. Provision for tax:			
Current tax	38.a	25,115,440	23,381,686
Deferred tax		761,181	1,587,774
Total provision		25,876,621	24,969,460
G. Profit/(Loss) after taxes (E-F)		(1,710,874,839)	(1,588,354,304)
Attributable to:			
Shareholders of the company		(1,710,882,504)	(1,588,366,606)
Non-controlling interest		7,665	12,302
		(1,710,874,839)	(1,588,354,304)
Less: Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus/(Deficit)		(1,710,874,839)	(1,588,354,304)
Earnings per share (EPS)	39.a	(9.85)	(9.14)

The annexed notes from 1 to 45 form an integral part of these financial statements

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-
Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Consolidated Cash Flow Statement For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	Amount in Taka (Restated)
		31 December 2025	31 December 2024
CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in cash		478,723,237	450,180,257
Interest payments in cash		(1,011,891,339)	(1,008,784,274)
Dividend receipts in cash		6,036,041	13,371,692
Cash payments to employees		(155,589,313)	(148,393,588)
Cash payments to suppliers		(29,533,107)	(5,155,435)
Income taxes paid		(20,739,200)	(23,729,788)
Receipts from other operating activities		47,830,773	84,513,812
Payments for other operating activities		(69,365,211)	(76,407,182)
Cash generated from operating activities		(754,528,119)	(714,404,505)
Increase/(Decrease) in operating assets and liabilities			
Statutory deposits			
Loans and advances		972,110,420	1,398,291,996
Changes in other assets		50,235,778	49,536,315
Borrowings from other banks		47,797,846	(20,114,598)
Borrowings from other corporate and financial institutions		(96,909,423)	(73,113,132)
Deposits from customers		(158,339,925)	(356,027,367)
Changes in other liabilities		(61,646,740)	(389,450,046)
		753,247,956	609,123,169
Net cash (used in)/from operating activities		(1,280,162)	(105,281,336)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of securities		35,706,205	16,049,609
Payments for purchase of securities		(149,885,809)	(135,878,429)
Purchase of property, plant and equipment		(7,646,475)	(7,407,158)
Payment against lease obligation		-	-
Proceeds from sale of property, plant and equipment		2,140,510	2,578,747
Net cash used in investing activities		(119,685,567)	(124,657,230)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		-	-
Share Money Deposit		-	-
Net cash from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(120,965,731)	(229,938,566)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		670,797,690	900,736,255
Cash and cash equivalents at end of the year (D+E+F)		549,831,960	670,797,690
Cash and cash equivalents at end of the year			
Cash in hand		67,266	106,695
Balance with Bangladesh Bank and its agent bank(s)		50,875,446	54,522,801
Balance with other banks and financial institutions		498,889,248	616,168,194
Money at call and short notice		-	-
		549,831,960	670,797,690

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants
Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Proposed Stock Dividend	Share Money Deposit	Non-controlling Interest	Total
Balance as on 1 January 2025	1,737,770,680	371,950,483	69,062,574	(7,513,439,566)	-	-	151,458	(5,334,504,370)
Prior year adjustment	-	-	-	(111,235,350)	-	-	-	(111,235,350)
Restated balance	1,737,770,680	371,950,483	69,062,574	(7,624,674,916)	-	-	151,458	(5,445,739,720)
Transfer to other liabilities	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	(1,710,874,839)	-	-	-	(1,710,874,839)
Transfer to Non-controlling Interest (NCI)	-	-	-	4,637	-	-	(4,637)	-
Transferred to statutory reserve	-	-	-	-	-	-	-	-
Transferred to general reserve	-	-	-	-	-	-	-	-
Balance as at 31 December 2025	1,737,770,680	371,950,483	69,062,574	(9,335,545,116)	-	-	146,821	(7,156,614,556)
Balance as at 31 December 2024	1,737,770,680	371,950,483	69,062,574	(7,513,439,566)	-	-	151,458	(5,334,504,370)

Sd/- Chairman	Sd/- Director	Sd/- Director	Sd/- Managing Director	Sd/- Company Secretary
------------------	------------------	------------------	---------------------------	---------------------------

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka

Date: 24 June 2026

IIDFC PLC.

Balance Sheet As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
PROPERTY & ASSETS			
Cash	3.00		
In Hand (including foreign currencies)		29,423	41,336
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		50,875,446	54,522,801
		50,904,869	54,564,137
Balance with other Banks and Financial Institutions	4.00		
Inside Bangladesh		348,742,313	314,130,561
Outside Bangladesh		-	-
		348,742,313	314,130,561
Money at Call and Short Notice	5.00	-	-
Investments	6.00		
Government		-	9,351,423
Others		441,316,227	464,811,496
		441,316,227	474,162,919
Loans & Advances	7.00		
Lease Receivables		1,124,393,989	1,229,273,186
Advance for Lease Finance		23,639,979	44,339,979
Direct/ Term Finance		6,644,539,498	7,315,507,615
Secured Overdraft		7,932,590	8,900,716
Bills Discounted and Purchased		101,469,073	114,475,943
		7,901,975,130	8,712,497,437
Fixed assets including premises, furniture & fixtures etc.	8.01	30,520,463	45,805,821
Other Assets	9.00	2,884,792,400	2,897,160,802
Non-Banking Assets	10.00	4,343,820	4,987,820
Total Assets		11,662,595,222	12,503,309,498
LIABILITIES & CAPITAL			
Borrowings from other banks, financial institutions & agents	11.00	5,649,567,298	5,496,718,696
Deposits & Other Accounts	12.00		
Current deposits & Other Accounts, etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		4,751,029,433	4,921,369,358
Bearer Certificate of Deposits		-	-
Other Deposits		2,122,897	2,617,604
		4,753,152,330	4,923,986,962
Other Liabilities	13.00	8,435,080,169	7,486,804,512
Total Liabilities		18,837,799,797	17,907,510,170
Capital/ Shareholders' Equity			
Paid-up Capital	14.00	1,737,770,680	1,737,770,680
Statutory Reserve	15.00	371,950,483	371,950,483
General Reserve	16.00	50,800,000	50,800,000
Share Money Deposit	17.00	-	-
Proposed Stock Dividend	18.00	-	-
Retained Earnings	19.00	(9,335,725,737)	(7,564,721,832)
Total Shareholders' Equity		(7,175,204,574)	(5,404,200,669)
Total Liabilities & Shareholders' Equity		11,662,595,222	12,503,309,498

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Balance Sheet As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	20.00		
Letters of guarantee		200,562,022	200,562,022
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		200,562,022	200,562,022
Others commitments:			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		200,562,022	200,562,022

The annexed notes from 1 to 45 form an integral part of these financial statements

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Profit & Loss Account For the year ended 31 December 2025

Particulars	Notes	Amount in Taka 31 December 2025	Amount in Taka 31 December 2024
A. OPERATING INCOME			
Interest income	21.00	368,185,270	381,557,432
Interest paid on deposits, borrowings etc.	22.00	(1,171,759,240)	(1,062,760,890)
Net interest income		(803,573,970)	(681,203,458)
Income from investment	23.00	(19,478,963)	848,572
Commission, exchange and brokerage	24.00	-	-
Other operating income	25.00	2,500,724	11,737,356
Total operating income		(820,552,209)	(668,617,531)
B. OPERATING EXPENSES			
Salaries & allowances	26.00	95,901,828	87,679,067
Rent, taxes, insurance, electricity etc.	27.00	3,113,604	6,048,219
Legal expenses	28.00	5,669,384	6,866,246
Postage, stamp, telecommunications etc.	29.00	2,483,163	2,957,917
Stationery, printing, advertisement etc.	30.00	2,438,854	2,197,518
Managing director's salary and fees	31.00	2,874,107	7,920,279
Directors' fees	32.00	556,000	780,800
Auditor's fees	33.00	540,500	580,750
Repair, depreciation and amortization of company's assets	35.00	25,924,169	26,703,499
Other expenses	36.00	14,409,308	17,759,077
Total operating expenses		153,910,916	159,493,372
C. Profit/ (Loss) before provision (A-B)		(974,463,125)	(828,110,903)
D. Provision for loans & advances	37.00		
Specific provision		105,111,316	696,353,627
General provision		(13,611,857)	(18,993,247)
Additional provision as per BB		(2,157,544)	(4,129,096)
Other provision		605,209,087	8,647,934
Provision for diminution in value of investments		(13,866,658)	70,704,375
Total provision		680,684,345	752,583,593
E. Profit before taxes (C-D)		(1,655,147,470)	(1,580,694,496)
F. Provision for tax			
Current tax	38.00	5,000,000	5,000,000
Deferred tax	38.01	(378,915)	1,991,649
Total provision		4,621,085	6,991,649
Profit after tax		(1,659,768,554)	(1,587,686,145)
Less: Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus/(Deficit)		(1,659,768,554)	(1,587,686,145)
Earnings per share (EPS)	39.00	(9.55)	(9.14)

The annexed notes from 1 to 45.00 form an integral part of these financial statements

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date
Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Statement of Cash Flows For the year ended 31 December 2025

Particulars	Notes	Amount in Taka 31 December 2025	Amount in Taka 31 December 2024
A CASH FLOW FROM OPERATING ACTIVITIES:			
Interest receipts in cash		346,065,062	371,284,403
Interest payments in cash		(978,958,447)	(965,312,685)
Dividend receipts in cash		2,619,096	7,366,644
Cash payments to employees		(98,775,935)	(95,599,347)
Cash payments to suppliers		(4,922,017)	(5,155,435)
Income taxes paid		(5,284,528)	(6,460,547)
Receipts from other operating activities		(19,597,335)	5,219,283
Payments for other operating activities		(46,273,944)	(54,154,014)
Cash generated from operating activities		(805,128,047)	(742,811,697)
Increase/(decrease) in operating assets and liabilities			
Statutory deposits			
Loans and advances to other customers		810,522,308	1,313,950,564
Changes in other assets		12,368,401	94,246,914
Borrowings from Other Banks		152,848,602	4,406,766
Borrowings from other Corporate & FIs		(12,000,000)	-
Deposits from customers		(158,339,925)	(356,027,367)
Changes in other liabilities		156,355,962	(276,086,718)
		961,755,349	780,490,160
Net Cash from Operating Activities		156,627,301	37,678,463
B CASH FLOW FROM INVESTING ACTIVITIES:			
Investments In Subsidiary		-	-
Proceeds from sale of securities		35,706,205	16,049,609
Payments for purchase of securities		(158,247,259)	(80,446,803)
Purchase of property, plant and equipment		(3,465,281)	(7,171,386)
Payment against lease obligation		-	-
Proceeds from sale of property, plant and equipment		331,518	2,480,747
Net cash used in investing activities		(125,674,817)	(69,087,833)
C CASH FLOW FROM FINANCING ACTIVITIES:			
Dividend paid		-	-
Share Money Deposit		-	-
Net cash from financing activities		-	-
D Net increase/(decrease) in cash and cash equivalents (A+B+C)		30,952,485	(31,409,371)
E Effects of exchange rate changes on cash and cash equivalents		-	-
F Cash and cash equivalents at beginning of the year		368,694,697	400,104,069
G Cash and cash equivalents at end of the year (D+E+F)		399,647,182	368,694,698
Cash and cash equivalents at end of the year			
Cash in hand		29,423	41,336
Balance with Bangladesh Bank and its agent bank(s)		50,875,446	54,522,801
Balance with other banks and financial institutions		348,742,313	314,130,561
Money at call and short notice		-	-
		399,647,182	368,694,698

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director

Sd/-
Company Secretary

Signed in terms of our report of even date
Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants
Sd/-
Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka;
Date: 24 June 2026

IIDFC PLC.

Statement of Changes in Equity

For the year ended 31 December 2025

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Proposed Stock Dividend	Share Money Deposits	Total
Balance as on 1 January 2025	1,737,770,680	371,950,483	50,800,000	(7,564,721,832)	-	-	(5,404,200,669)
Prior year adjustment	-	-	-	(111,235,350)	-	-	(111,235,350)
Restated balance	1,737,770,680	371,950,483	50,800,000	(7,675,957,182)	-	-	(5,515,436,019)
Share Money Deposit	-	-	-	-	-	-	-
Right Share Issue	-	-	-	-	-	-	-
Net profit for the year	-	-	-	(1,659,768,554)	-	-	(1,659,768,554)
Transferred to statutory reserve	-	-	-	-	-	-	-
Transferred to general reserve	-	-	-	-	-	-	-
Balance as at 31 December 2025	1,737,770,680	371,950,483	50,800,000	(9,335,725,737)	-	-	(7,175,204,574)
Balance as at 31 December 2024	1,737,770,680	371,950,483	50,800,000	(7,564,721,832)	-	-	(5,404,200,669)

Sd/-
ChairmanSd/-
DirectorSd/-
DirectorSd/-
Managing DirectorSd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
PartnerBasu Banerjee Nath & Co.
Chartered Accountants

DVC : 2606281334AS697693

Dhaka

Date: 24 June 2026

IIDFC PLC.

Liquidity Statement

For the year ended 31 December 2025

Amount in BDT

Particulars	Up to 1 Month maturity	1-3 months maturity	3-12 months maturity	1-5 years maturity	More than 5 years maturity	Total
ASSETS:						
Cash	29,423	-	-	-	-	29,423
Balances with Bangladesh Bank	50,875,446	-	-	-	-	50,875,446
Balances with other Banks	133,982,787	99,702,346	83,146,179	31,911,000	-	348,742,313
Money at Call and on Short Notice	-	-	-	-	-	-
Investments	172,750,375	111,778,683	115,546,786	41,240,383	-	441,316,227
Loans and Advances	442,550,954	2,048,919,422	3,186,270,134	1,760,011,598	464,223,022	7,901,975,130
Property, Plant & Equipment	1,787,129	10,044,746	6,207,290	12,481,298	-	30,520,464
Other Assets	233,148,300	470,416,835	991,089,453	604,698,901	585,438,911	2,884,792,401
Non-Banking Assets	-	-	-	4,343,820	-	4,343,820
Total assets	1,035,124,414	2,740,862,033	4,382,259,842	2,454,687,000	1,049,661,933	11,662,595,222
LIABILITIES:						
Borrowing from other banks, Fin. Ins. & Agents	468,211,635	623,051,833	1,074,753,642	1,701,838,264	1,781,711,924	5,649,567,298
Deposit and other accounts	182,457,679	1,257,464,247	1,984,393,698	1,249,433,069	79,403,638	4,753,152,330
Provision and other liabilities	284,102,888	838,737,292	1,317,433,298	1,728,652,460	4,266,154,230	8,435,080,169
Total liabilities	934,772,202	2,719,253,372	4,376,580,638	4,679,923,793	6,127,269,792	18,837,799,797
Net liquidity gap	100,352,212	21,608,661	5,679,204	(2,225,236,795)	(5,077,607,860)	(7,175,204,574)

Sd/-
ChairmanSd/-
DirectorSd/-
DirectorSd/-
Managing DirectorSd/-
Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Sd/-

Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2606281334AS697693

Dhaka

Date: 24 June 2026

IIDFC PLC and its Subsidiaries Notes to the Consolidated and Separate Financial Statements As at and for the year ended 31 December 2025

1.00 Reporting entity and its activities

1.01 Company's profile

IIDFC PLC, a public limited company was incorporated on 19th December, 2000 as a development financial institution to boost investment specially in the spectrum of industrial and infrastructure development. The Company was licensed by Bangladesh Bank on the 23rd January, 2001 to start financing business in Bangladesh. The registered office of the Company is situated at Chamber Building (2nd, 6th & 7th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh.

1.02 Principal activities and nature of operation

IIDFC offers financial services that include promotion and term financing of financially viable industrial undertakings & infrastructure projects, lease financing for all type of machineries and equipment including vehicles for industrial and commercial purposes, financial packaging for syndicated fund arrangement including cross-border syndication, acquisition or takeover of public sector enterprises, financial or otherwise, stated for privatization and SME financing. The Company is also involved in factoring finance, work-order finance, bill discounting and home loan etc.

1.03 Subsidiary Companies

IIDFC Securities Limited

IIDFC Securities Limited (the Company), a wholly owned subsidiary company of IIDFC was incorporated as a public limited company in Bangladesh bearing certificate of incorporation no. C-83521/10 dated 28/03/2010 under the Companies Act-1994 having its registered office at PFI Tower (Level-3), 56-57, Dilkusha C/A, Dhaka-1000.

The main objectives of the Company for which it was established are to carry out of the business of securities management and stock brokerage, custodian services, investment and asset management, portfolio management, capital market operations and other non-banking financial services including advisory services, mergers and acquisitions, equity investment, joint venture sourcing, corporate finance and restructuring, financial and socio economic consultancy, corporate research and project, studies, privatization and other related services.

IIDFC Capital Limited

IIDFC Capital Limited (the Company) is a public company, limited by shares was incorporated in Bangladesh on 30th November 1995 vide certificate of incorporation no. C-H.C 2097 in the name of South Asia Capital Limited which was acquired by IIDFC a non-banking financial institution on 10th December 2009 and renamed as IIDFC Capital Limited. The principal activities of the Company for which it was established include the business of issue management, portfolio management, corporate counselling, investment counselling, capital structuring, etc.

2.00 Basis of preparation and significant accounting policies

2.01 Basis of preparation

The Financial Statements have been prepared on the basis of going concern concept and basically on accrual method under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) and after due compliance with International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) vide letter no 1/1/ICAB-2017 dated 14 December 2017, the Finance Company Act, 2023, the Companies Act, 1994 and other applicable laws and regulations.

Statement of compliance

The consolidated financial statements and separate financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are recorded in cost price (Comparing with market value) in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Finance Company Act, 2023, Bangladesh Securities and Exchange Commission guidelines and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated 23 December 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed in detail. However, this departure with IFRS has been made by following all of the relevant provisions of IAS-1 and the details disclosures are given in Note-2.01.01 by following the provision of IAS-1 (Presentation of Financial Statements).

2.01.01 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 Financial Instruments	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013 ,DFIM circular No. 04, dated 26 July 2021 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	In Financial Statements, as at 31 December 2025, accumulated provision for leases, loans and advances stand at BDT5583.44 million
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 Financial Instruments	Investment in shares falls either under at "fair value through profit/ loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit or loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002, DFIM circular No. 02, dated 31 January 2012 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year total market value of all shares are less than the cost price of all shares. In Financial Statement, as at 31 December 2025, Provision for diminution in value of investments stands BDT 187.56 million.

3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 Financial Instruments	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, DFIM circular No. 04, dated 26 July 2021, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	As at 31 December 2025, in Financial Statements interest suspense account was BDT 1,566.28 million whereas last year was Taka 1,612.56 million. This amount has been shown in other liabilities
4	Presentation of cash and cash equivalent	IAS 7 Statement of Cash Flows	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 Income Tax	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.

			IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 7 requires specific presentation and disclosure relating to all financial instruments.	The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS-9. As such some disclosure and presentation requirements of IFRS 7 has not been made in the accounts.	
7	Preparation of Statement of Cash Flows	IAS 7 Statement of Cash Flows	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS-1 Presentation of Financial Statement	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.

9	Off-balance sheet items	IAS 1 Presentation of Financial Statements	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
10	Impairment of Margin Loan (Loans and receivables)	IFRS 9 Financial Instruments	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan may be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this. However, we have been maintaining provision for unrealized loss (if any) of margin loan in the portfolio at higher rate than the requirement.
11	Complete set of financial statements	IAS 1 Presentation of Financial Statements	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
12	Intangible asset	IAS 1 Presentation of Financial Statements	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. However, we present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

13	Other comprehensive income	IAS 1 Presentation of Financial Statements	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.	Financial Statements of 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

2.01.02 Investments in shares and securities

As per requirements of IFRS-9 'Financial Instruments: Recognition and Measurement' investments in shares and securities generally falls either under "Amortised cost", "at fair value through Profit and Loss Account" or under "FVOCI (Fair Value through Other Comprehensive Income)" where any change in the fair value at the year-end is taken to Profit and Loss Account or Revaluation Reserve Account respectively.

Bangladesh Bank:

As per FID circular No. 08 dated 03 August 2002 & DFIM circular No. 02 dated 31 January 2012 of Bangladesh Bank investment in marketable ordinary shares has been shown at cost, on an aggregate portfolio basis. Investment in non-marketable shares also has been valued at cost. Provision should be made for any loss arising from diminution in value of investments.

Relevant disclosure on departure has been presented in the note -2.01.01(2)

2.01.03 Provision on loans and advances

As per IFRS-9 'Financial Instruments' an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank:

As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, DFIM circular No. 04 dated 26 July 2021 and DFIM circular No. 37 dated 04 December 2024 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans/special mention account) has to be maintained.

Relevant disclosure on departure has been presented in the note -2.01.01(1)

2.01.04 Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFR-9. As such some disclosure and presentation requirements of IFRS 7 'Financial Instruments: Disclosures' cannot be made in the accounts.

Relevant disclosure on departure has been presented in the note -2.01.01(6)

2.01.05 Financial guarantees

As per IFRS-9 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.01.06 Cash and cash equivalents

Cash and cash equivalents items should be reported as cash item as per IAS 7 'Statement of Cash Flows'.

Bangladesh Bank:

Some cash and cash equivalent items such as 'money at call and on short notice', T-bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as face item in statement of financial position (Balance sheet) and T-bills, Prize bonds are shown in Investment.

2.01.07 Non-Banking assets

As per the requirements of DFIM circular No. 11 dated 23 December 2009, non-banking assets generally arises from non-payment of receivables (claims) by/from clients which is to be presented separately mentioning the holding period of each types of asset. Presented value of non banking assets will not be more than market price of them and income generating non banking assets will have to be presented separately in the Financial Statements.

2.01.08 Statement of cash flows

Statement of cash flows can be prepared either in "Direct Method" or "Indirect Method". The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, statement of cash flows is a mixture of direct and indirect method.

2.01.09 Balance with Bangladesh Bank (CRR)

Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank:

Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.01.10 Off-balance sheet items

There is no concept of off balance sheet items in any IFRS; hence there is no requirement of disclosure relating to such items.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, off balance sheet items e.g. L/C, L/G must be disclosed separately in the face of the statement financial position (balance sheet).

2.01.11 Disclosure of appropriation of profit

There is no requirement to show appropriation of profit in the face of the statement of comprehensive income.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, an appropriation of profit should be disclosed in the face of statement of comprehensive income.

2.01.12 Other comprehensive income

As per IAS 1 'Presentation of Financial Statements', Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a separate Other Comprehensive Income (OCI) Statement.

Bangladesh Bank:

Bangladesh Bank has issued templates for financial statements which will strictly be followed by all financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income; and the elements of Other Comprehensive Income are also not allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the company does not prepare the Other Statement of Comprehensive Income. However elements of OCI, if any, are shown in the statement of changes in equity.

Relevant disclosure on departure has been presented in the note -2.01.01(13)

2.01.13 Loans and advance net of provision

Loans and advances should be presented as net of provisions.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

[Also refer to Note-2.17 Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)]

Relevant disclosure on departure has been presented in the note -2.01.01(1)

2.02 Basis of consolidation

The financial statements of the company and its subsidiaries have been consolidated in accordance with International Financial Reporting Standards 10 'Consolidated Financial Statements'.

All intra-group balances, transactions, income and expenses are eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The total profits of the company and its subsidiaries are shown in the consolidated Profit and Loss Account with the proportion of profit after taxation pertaining to minority shareholders being deducted as Non-controlling interest.

All Assets and Liabilities of the company and its subsidiaries are shown in the consolidated Balance Sheet. The interest of non-controlling shareholder of the subsidiaries are shown separately in the consolidated Balance Sheet under the heading Non-controlling interest.

2.03 Integral components of financial statements

The Financial Statements of the Company comprise of (As per DFIM Circular No. 11 dated 23 December 2009) the following components:

1. Consolidated and Separated Balance Sheet as at December 31, 2025;
2. Consolidated and Separated Profit and Loss A/C for the year ended December 31, 2025;
3. Consolidated and Separated statement of Cash Flows for the year ended December 31, 2025;
4. Consolidated and Separated Statement of Changes in Equity for the year ended December 31, 2025;
5. Liquidity Statement as at December 31, 2025 &
6. Notes to the Consolidated and Separated Financial Statements for the year ended December 31, 2025.

2.04 Use of estimate & judgments

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the Financial Statements.

Provisions and accrued expenses are recognized in the Financial Statements in line with the International Accounting Standard (IAS) No. 37 'Provisions, Contingent Liabilities and Contingent Assets' when:

- a) the company has a present obligation, legal or constructive result of a past event,
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which from the basis of making the judgments about carrying values of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.05 Statement of cash flows

The statement of cash flows has been prepared using the Direct Method as mentioned in line with International Accounting Standard 7 'Statement of cash flows'.

2.06 Consistency

In accordance with the IFRS framework for the presentation of Financial Statements together with International Accounting Standard 1 'Presentation of Financial Statements' and International Accounting Standard 8 'Accounting Policies, Changes in Accounting Estimates and Errors', IIDFC applies the accounting disclosure principles consistently from one period to the next.

2.07 Reporting period

These Financial Statements cover one calendar year from 01 January to 31 December 2025.

2.08 Presentation currencies

The figures of the financial statements are presented in Bangladeshi Currency (BDT) and have been rounded off to the nearest integer.

2.09 Books of accounts of branch (including Corporate Branch)

The Company has 4 (four) branches including head office (principal branch) so far as on 31 December 2025. Books of Accounts of the branches are maintained at the Head Office of the Company.

2.10 Assets and basis of their valuation

2.10.01 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank highly liquid financial assets.

2.10.02 Investment in securities

Investment in marketable ordinary shares as well as investment in non-marketable shares have been shown at cost. Adequate provision for diminution in value of shares has been made as per Bangladesh Bank guidelines. Market value of securities has been determined on the basis of the value of securities at the last trading day of the period (last trading day for the year was 31 December 2025).

2.10.03 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans and Off-Balance Sheet Items, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision is made on the basis of quarter end against classified loans and advances review by the management and instruction contained in FID Circular no. 08 dated 3 August 2002, FID circular no. 03 and dated 03 May 2006.

a) Interest on loans and advances

Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is calculated on unclassified loans and advances and recognized as income during the year. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank.

b) Provision for loans and advances

Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2006, DFIM circular No. 04, dated 26 July 2021 and DFIM circular No. 37 dated 04 December 2024 issued by Bangladesh Bank. General Provision on unclassified loans and advances and specific provision on classified loans & advances are maintained as per circular issued by Bangladesh Bank as mentioned above at the rate of 0.25% for standard and SMA-SME, 1% for standard non-SME, 5% for SS-SME and SMA-non SME, 20% for SS-non SME and 20% for DF-SME and 50% for DF-non SME and 100% for BL.

c) Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

d) Write off loans and advances

As per FID Circular No. 03 dated 15 March 2007 & DFIM Circular No. 02 dated 01 April 2019 loans and advances/investments should be written off. These written off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

e) Securities against loan

Lease Assets: Assets under the lease agreement is taken as security against lease.

Term Finance: Land, building, machineries and relevant assets are tried to be taken as security.

Working capital and trading loan: Goods are taken as security in the form of pledge and hypothecation along with land and building if any, as mortgage.

House building loan: Land and building are taken as security in the form of mortgage.

Overdraft: FDRs are taken as pledge against the loans taken by clients against their Fixed Deposits.

Public sector loan: In most cases Govt. Guarantee is taken and no other security is taken for government loan and agricultural.

2.10.04 Property, plant and equipment

2.10.04.01 Owned assets

Own property, plant and equipment are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs associated with bringing the asset to its working condition for its intended use as per International Accounting Standard 16 'Property, Plant and Equipment'.

2.10.04.02 Leased assets

Leasehold assets are accounted for as Finance Lease and capitalized at the inception of the lease at the fair value of the leased property or at the present value of the minimum lease payments, whichever is lower as per International Accounting Standard-17 & IFRS-16 'Leases'. The corresponding obligation under the lease is accounted for as Liability.

2.10.04.03 Subsequent expenditure on property, plant and equipment

Subsequent expenditure is capitalized only when it increases the future economic benefits from the assets. All other expenditures are recognized as an expense as and when they are incurred.

2.10.04.04 Depreciation on property, plant & equipment

Depreciation on fixed assets is charged consistently on straight-line method at following rates throughout the estimated useful life of the assets. On newly acquired assets depreciation is charged for the full year irrespective of date of acquisition while no depreciation is charged on the assets disposed of during the year.

Sl. No.	Category of Fixed assets	Rate of Depreciation
1	Motor vehicles	20%
2	Furniture & fixtures	10%
3	Office equipment	18%
4	Right-of-use Assets	Lease term

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the concerned asset and is recognized accordingly in the Statement of Comprehensive Income (Profit and Loss Account).

2.10.04.05 Intangible assets

The Company's intangible assets include the value of computer software.

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and they are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the statement of comprehensive Income (profit and loss account).

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives, like software is amortized over 5 years 6 months.

2.10.04.06 Other assets

Other assets include all other financial assets and fees and unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamp. Details are shown in Note-9. Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.10.04.07 Non-banking assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgage property. There are no assets acquired in exchange for loan during the period of financial statements.

2.10.04.08 Right-of-use assets (IFRS-16)

IIDFC recognises a right of use asset and a lease liability from the beginning of 2020. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is depreciated using the straight line methods from the commencement date (from the beginning of 2020) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date (from the beginning of 2020), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, IIDFC's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in IIDFC's estimate of the amount expected to be payable under a residual value guarantee, or if IIDFC changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

2.11 Basis for valuation of liabilities and provisions

2.11.01 Provision for tax

a. Current tax

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Act, 2023 and amendments made thereof.

b. Deferred tax

The company has adopted a policy of recognition of deferred tax in accordance with International Accounting Standard 12 'Income Taxes'. Deferred tax is provided using the liability method for all temporary timing differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for tax purposes. The amount of deferred tax is determined at the effective income tax rate prevailing at the Balance Sheet date.

2.11.02 Employees' benefit obligation

Defined contribution plan

The Company started operating from January, 2003 an approved contributory provident fund scheme for its employees as per provident fund rules. The fund consists of subscription of all participatory employees and contribution from the company at a predetermined rate. The fund is administered by a Board of Trustees and invested separately from the Company's assets.

Defined benefit plan

The Company started operating from January, 2002 an approved gratuity scheme as per gratuity rules which is administered by a Board of Trustees and invested separately from the Company's assets.

Other benefit program for employees

The Company operates a group life insurance scheme for its permanent employees. The Company also has loan facilities at reduced rate for its permanent employees.

2.12 Write-off

Write-off describes a reduction in recognized value. It refers to recognized or the zero value of an asset. Generally, it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential returns are thus calculated and removed (written-off) from the balance sheet of the Company.

2.13 Capital and shareholders' equity

2.13.01 Capital management

The company has a capital management process for measuring, deploying and monitoring its available capital and assessing its adequacy. This capital management process aims to achieve four major objectives; exceed regulatory thresholds and meet long-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the company and provide the company's shareholder with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the company. The company's finance and risk management department are key to implementing the company's capital strategy and managing capital. Capital is managed using both regulatory control measure and internal matrix.

2.13.02 Paid-up capital

Paid up share capital represents total amount of share capital that has been paid in full by the ordinary shareholder. In the event of winding-up of the company, ordinary shareholder(s) rank after all other shareholders and creditors.

2.13.03 Statutory reserve

As per the Financial Institution Regulations 1994, every Non Banking Financial Institution (NBFI) is required to transfer at least 20% of its current year's profit after tax to the statutory reserve fund until such reserve fund equals to its paid up share capital and share premium (if any). To comply the above requirement, IIDFC transferred 20% of net profit to statutory reserve before declaration of dividend.

2.13.04 Dividends on ordinary shares

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

2.14 Contingent liabilities and contingent assets

A contingent liability is –

Any possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or any present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

2.15 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the statement of Financial Position (Balance Sheet) are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.16 Revenue recognition

Revenue is only recognised when it meets the following five steps model framework.

- identify the contract (s) with a customers;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognise revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognised on an accrual basis of accounting.

2.16.01 lease Income

Finance lease income is allocated over the lease term on a systematic and rational basis. This income allocation is based on a pattern reflecting a constant periodic return on net investment in the finance lease. The unearned lease income is recognised on instalment date as revenue on an accrual basis over the terms of the lease. However, lease income is not recognised if capital or interest receivable is in arrears for more than three months.

2.16.02 Income from direct finance

Direct finance operation consists of long term, short term and working capital finance, books of account for which are maintained based on the accrual method of accounting. Interest earnings from direct finance are recognized as operational revenue periodically.

Interest on real estate finance

Interest on real estate finance is recognised as revenue on an accrual basis and no interest on real estate finance is accounted for as revenue where any portion of capital or interest is in arrear for more than nine months.

Interest on term loans and short term finance

Interest on term loan and short term finance is recognised as revenue on an accrual basis and interest income on term loan is not recognised where any portion of interest is in arrear for more than three months.

2.16.03 Income from structured finance

Income from structured finance is recognized as and when received.

2.16.04 Income from treasury operations

Incomes from treasury operations are recognized on accrual basis.

2.16.05 Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally at the time of shareholders' approval date for payment of dividend.

2.16.06 Other operating income

Other operational income is recognized as and when received. Such income comprises of the following:

- Appraisal and documentation fees;
- Commitment fees;
- Supervision fees;
- Delinquent charge;
- Miscellaneous receipts;

f. Portfolio management fee

Portfolio management fees are recognised on the market value of the clients' portfolio on monthly basis and charged to client's balance on quarterly basis.

g. Issue management & Corporate advisory fee

Issue management and corporate advisory fees are recognised according to the stage of completion of services as agreed and defined in issue management and corporate advisory agreement between company and clients.

h. Brokerage commission

Brokerage commission is recognised as income when selling or buying order is signed and trade is executed.

i. Profit or loss on sale of securities and

Profit or loss arising from the sale of securities is accounted for only when the securities are sold/off loaded.

j. Fee based revenues

Fees on services rendered by the company are recognised as and when services are rendered.

2.17 Interest accrual on loans and leases

Interest income on interest bearing loans and leases are recorded at the time of proceeds received from a particular company. Accrued interest on company loan and leases is accounted for on accrual basis in the Profit and Loss Account under at the implicit rate of interest.

2.18 Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary shares of the IIDFC by the weighted average number of ordinary shares outstanding during the year. IIDFC calculates EPS in accordance with International Accounting Standard -33 'Earnings per Share' which has been shown in the profit and loss account.

Diluted Earnings per share is not applicable for the year as there is no scope for dilution during the year 2025.

2.19 Presentation of operating segments

The segment reporting of IIDFC as per IFRS 8 has been presented in Note -40 named "Operating Segment Report" as on reporting date.

2.20 Contingent assets & liabilities

Contingent Assets:

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are never recognized, rather they are disclosed in the financial statements when they arise.

Contingent Liabilities :

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

2.21 Liquidity statements

As per DFIM circular No. 09 dated 20 October 2015 & DFIM circular No. 21 dated 20 December 2011 the liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the reporting period as per following bases:

- Balance with other company and financial institutions are on the basis of their maturity term;
- Investments are on the basis of their residual maturity term;
- Loans and Advances are on the basis of their repayment /maturity schedule;
- Property, plant and equipment are on the basis of their useful lives;
- Other assets are on the basis of their adjustments terms;
- Borrowings from other company and financial institutions are on the basis of their maturity/repayment schedule;
- Deposits and other accounts are on the basis of their maturity terms and past behavioural trends &
- Other liabilities are on the basis of their settlement terms.

2.22 Events after the reporting period

Events after the reporting period requires additional disclosures or adjustments based on material information about the company. As per International Accounting Standards IAS-10: 'Events after the reporting period' the events after the reporting date are reflected in the financial statements' note no. 44 .

2.23 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the company be unable to continue as a going concern.

2.24 Compliance report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, IIDFC applied following IAS and IFRS:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied

Name of the IAS	IAS No.	Status
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No	Status
Share Based payment	2	N/A
Business combination	3	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Financial Instruments	9	Applied *
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied *
Revenue from Contracts with customers	15	Applied
Leases	16	Applied
Insurance Contracts	17	N/A

N/A= Not applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements.

2.25 Address of head office & branch location

Head office is located at Chamber Building (2nd, 6th & 7th floor), 122-124 Motijheel Commercial Area, Dhaka-1000, Chattogram Branch is located at C&F Tower (4th floor), Sheik Mujib Road, Agrabad Commercial Area, Chattogram and Uttara Branch is located at Plam Jemairah (3rd floor), Sonargaon Janapath, Sector-7, Uttara, Dhaka-1230. Narayanganj Branch is at Mid Town Complex (3rd floor), Bangabandhu Road, Narayanganj.

2.26 Capital adequacy and market discipline

To cope with the international best practices and to make up the capital more risks sensitive as well as more shock resilient, a road map was issued in August 2010 on implementation of Basel Accord in the FIs. Being well pursuant with the road map, prudential guidelines namely 'Capital Adequacy and Market Discipline for Financial Institutions' had been introduced by Bangladesh Bank from December, 2011. The guidelines came into force from 1 January, 2012 with necessary supplements/revisions. Instructions in respect of Minimum Capital Requirement, Adequate Capital and Disclosures requirement as stated in the guidelines have been followed for the purpose of statutory compliance.

As per prudential guideline IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I.

Pillar – I: Minimum capital requirement

Credit Risk

The calculation of capital requirement against credit risk is more elaborate and risk sensitive. The Accord gives a choice of some sophisticated approaches to address risks, and adoption of a Particular approach depends on the risk measurement capabilities and robustness of the systems in place in a Financial Institution. A Standardized Approach has been the preliminary choice of FIs for the credit risk calculation.

Market risk

Market risk is defined as the risk of losses in on and off-balance-sheet positions arising from movements in market prices.

The risks subject to this requirement are:

- The risks pertaining to interest rate related instruments and equities in the trading book;
- Foreign exchange risk and commodities risk throughout the FI.

The capital charges for interest rate related instruments and equities applied to the current trading book items prudently valued by IIDFC. The capital charges for foreign exchange risk and for commodities risk applied to IIDFC's total currency and commodity positions, subject to some discretion to exclude structural foreign exchange positions.

Operational risk

The accord introduces for the first time a capital charge for operational risk. The framework presents three methods for calculating operational risk capital charges in a continuum of increasing complexity and risk sensitivity. These methods are the Basic Indicator approach (a fixed percentage of gross income amount), Standardized approach (sum of a certain percentage of FI's income in each business line) and Internal Measurement approach (Statistical measure of FI's operational loss based on its historical loss data). But initially, Basic Indicator Approach has been applied for calculating the capital charge against operational risk.

2.27

Stress testing

Stress Testing is an important risk management tool that is used by the Financial Institutions as part of internal risk management and through the Basel II capital adequacy framework, is promoted by Bangladesh Bank. Stress Testing alerts Financial Institutions management to adverse unexpected outcomes related to a variety of risks and provides an indication of how much capital might be needed to absorb losses should large shock occur. Stress Testing supplements other risk management approaches and measures playing particularly important role in:

- Providing forward-looking assessment of risk;
- Overcoming limitations of models and historical data;
- Supporting external and internal communication;
- Feeding into capital and liquidity planning procedures;
- Informing the setting of an FI's risk tolerance; and
- Facilitating the development of risk mitigation or contingency plans across a range of stressed conditions.

Stress Testing guideline have been issued by Bangladesh Bank to provide a structured way of assessing the vulnerability of financial institutions to extreme but plausible market conditions. The guidelines enable institutions to accurately assess risk and define the "risk appetite" of the organization and also provide critical information to senior management for decision around capital allocation and contingency planning.

IIDFC exercise stress testing on its portfolio on quarterly basis and submit its stress testing report as per format prescribed by Bangladesh Bank on regular basis.

2.28

Financial risk management

IIDFC always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity, operations and money laundering and terrorist financing. In addition to the industry best practices for assessing, identifying and measuring risks, IIDFC also considers guidelines for managing core risks of financial institutions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated 18 September 2005 for management of risks and, more recently, DFIM Circular No. 03 dated 24 January 2016.

Credit Risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum exposure limit of sector or groups, policy for customers' assets maximum exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD), taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc.

The Credit Appraisal Committee (CAC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CAC critically reviews projects from risk point of view. An independent Credit Risk Management Department is in place, at IPDC, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets.

Market Risk

The Asset Liability Committee (ALCO) of the Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk. IIDFC has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength and credit rating.

Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Treasury Division which is responsible for ensuring that sufficient funds are available to meet short term obligations, even in a crisis scenario, and for maintaining a diversity of funding sources. Treasury Division maintains liquidity based on historical requirements, anticipated funding requirements from operation, current liquidity position, collections from financing, available sources of funds and risks and returns.

Operational Risk

Appropriate internal control measures are in place, at IIDFC, to address operational risks. IIDFC has also established an Operational Risk Management (ORM) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk. The function of the ORM department is to exercise constant vigilance against erosion of Shareholders' value by identifying, assessing, measuring and managing operational risk resulting from inadequate or failed internal processes, people and systems or from external events.

Money Laundering and Terrorist Financing Risk

In IIDFC, money laundering and terrorist financing risk takes two broad dimensions:

- (a). Business risk which is the risk that IIDFC may be used for money laundering or for the financing of terrorism and
- (b). Regulatory risk which is the risk that IIDFC fails to meet regulatory obligations under the Money Laundering Prevention Act, 2012 (subsequently amended in 2015) and the Anti-Terrorism Act, 2009 (subsequently amended in 2012 and 2013).

To mitigate the risks, IIDFC, while adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU), has in place a strict compliance program consisting of the following components:

- (a). Internal policies, procedures and controls, which are continually updated as and when required, to identify and report instances of money laundering and terrorism financing;
- (b). A dedicated structure and sub-structure within the organisation, headed by a Central Compliance Unit (CCU), for proactively managing AML and CFT compliance;
- (c). Appointment of an AML/CFT Compliance Officer, known as the Chief Anti Money Laundering Officer (CAMLCO), to lead the CCU;
- (d). Independent audit functions, including internal and external audit, to test the programs;
- (e). Ongoing employee training programs.

Additional risks required to be addressed under regulatory requirements

DFIM Circular No.03 of 2016, introduced the Integrated Risk Management Guidelines for Financial Institutions ("the guidelines"). These guidelines supplement, and do not replace, existing risk management guidelines.

The Integrated Risk Management Guidelines for Financial Institutions specify a number of additional risks that financial institutions are now required to manage in a more structured manner. Key among these are:

Strategic Risk

Strategic risk has been defined as the risk of possible losses that might arise from adverse business decisions, substandard execution and failure to respond properly to changes in the business environment. The guidelines set out the respective roles of the board of the directors, senior management and business units in managing strategic risks, identify the minimum steps to be followed in the strategic risk management process and also suggest measures for strategic risk control.

IIDFC has been managing strategic risks ever since its inception. This is evident from the constantly evolving business model of the company over the years. The company has a clear strategic vision as to what it wants to be and a mission statement that states what it will do to achieve its vision. Strategic issues are discussed at a variety of forums including meetings of the Management Committee and of the IIDFC Board. Over the past few years, a separate Strategic Planning department has been set up to assist senior management in this regard. The culmination of all these efforts are reflected in annual Strategy and Budget sessions, where the company sets out its plans for the next year. With the introduction of the new guidelines, more changes will be made to the strategic risk management process as and when required.

Compliance Risk

Compliance risk is defined as the current or prospective risk of legal sanction and/or material financial loss that an organisation may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best practice as well as from the possibility of incorrect interpretation of laws or regulations. The guidelines set out the respective roles of the board, senior management and compliance function units in managing compliance risks and also require formulation of a written compliance risk management policy.

Historically, IIDFC has always fostered a compliance oriented culture. This has been reinforced in a variety of ways, ranging from formal requirements to sign declarations of compliance with the IIDFC code of conduct (which requires compliance with the law & regulations) to repeated communications from senior management stressing the need to do business in a compliant manner. In general, compliance risk management is embedded in the day to day business processes and practices of the company. Concerned departments are kept informed of latest legal and regulatory requirements by the ICC and Corporate Affairs departments. A consideration of compliance (or any potential non-compliance) with laws and regulations is a standard part of the company's regular decision making processes. Wherever deemed necessary, appropriate legal advice is sought from qualified internal and/or external legal counsel.

Reputation Risk

Reputation risk may be defined as the risk of loss arising from damage to an organization's reputation. The guidelines set out the respective roles of the Board and senior management in managing reputation risk and also require financial institutions to implement a sound and comprehensive risk management process to identify, monitor, control and report all reputational risks.

IIDFC has already established a set of non-financial reputational risk indicators and put in place a process for monitoring these and any other matters that might give rise to potential reputational risk issues. Till date, no material reputational risk issue involving the company has been identified.

Environmental & Social Risk

As the best financial brand in promoting sustainable business practices, IIDFC have adopted Environmental & Social Risk Management System as one of its integral parts of Credit Risk Assessment to compute environmental & social risks from our financial footprints. IIDFC is one of the front runners to add "Environmental & Social Management System (ESMS)" within its framework, a global standard to minimize environmental & social risks from the organizational activities.

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
3.00	Cash			
	Cash in hand (Note 3.1)		29,423	41,336
	Balance with Bangladesh Bank and its agent bank (Note 3.2)		50,875,446	54,522,801
	Total		50,904,869	54,564,137
3.01	Cash in hand			
	Cash in hand represents the amount under "imprest system of petty cash" to meet petty expenses both for head office as well as branch offices.			
3.2	Balance with Bangladesh Bank			
	Balance with Bangladesh Bank is a non-interest bearing account maintained with Central Bank to meet the Cash Reserve Requirement (CRR). CRR (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with The Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.			
3.3	Cash Reserve Requirement (CRR)			
	Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with Finance Company Act, 2023 & Financial Institutions Regulations, 1994, FID Circular No. 06, dated 06 November 2003, FID Circular No. 02 dated 10 November 2004, DFIM Circular Letter No. 01, dated 12 January 2017 and DFIM Circular Letter No. 03, dated 21 June 2020.			
	CRR has been calculated at the rate of 1.50% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID Circular No. 02 dated 10th November, 2004 and DFIM Circular Letter No. 03, dated 21 June 2020. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).			
	Required reserve		49,892,584	51,039,061
	Actual reserve held		50,875,446	54,522,801
	Surplus / (Deficit)		982,861	3,483,740
3.4	Statutory Liquidity Reserve (SLR)			
	SLR has been calculated at the rate of 5.00% of total demand and time liabilities, including CRR of 1.50% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.			
	Required reserve		220,459,325	221,248,405
	Actual reserve held (Note-3.4.1)		336,914,214	353,130,271
	Surplus / (Deficit)		116,454,889	131,881,866
3.4.1	Actual Reserve held for SLR			
	Cash in hand		29,423	41,336
	Balance with Bangladesh Bank and its agent bank(s)		50,875,446	54,522,801
	Balance with other banks and financial institutions (Note-3.4.1.1)		286,009,345	289,214,711
	Bangladesh Bank-Tbill		-	9,351,423
	Total		336,914,214	353,130,271
3.4.1.1	Balance with other banks and financial institutions (SLR)			
	NRBC Bank PLC.		51,954,136	47,861,858
	Southeast Bank PLC.		4,702,356	-
	Bangladesh Finance & Investment Company Limited		100,000,000	100,000,000
	Union Capital Limited		51,352,853	51,352,853
	Prime Finance & Investment Limited		78,000,000	90,000,000
	Total		286,009,345	289,214,711
3.a	Consolidated cash			
	IIDFC PLC		29,423	41,336
	IIDFC Securities Limited		17,542	54,242
	IIDFC Capital Limited		20,301	11,117
	Sub-Total		67,266	106,695
	Balance with Bangladesh Bank and its agent bank(s) (Note-3)		50,875,446	54,522,801
	Total		50,942,712	54,629,496
4.00	Balance with other Banks and Financial Institutions			
	<i>Inside Bangladesh</i>			
	Current Accounts:			
	NCC Bank PLC.		1,000	10,273
	Sonali bank PLC.		4,503	4,503
	Uttara Bank PLC.		17,557	18,592

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	Midland Bank PLC.		499,695	155
	Trust Bank PLC.		499,959	1,179
	UCB PLC.		3,390	4,655
	AB Bank PLC.		2,844	3,879
	Shahjalal Islami Bank PLC.		520,530	29,755
	Total		1,549,477	72,990
	Short-Term Deposit Accounts			
	Southeast Bank PLC.		454,907	283,844
	Social Islami Bank PLC.		74,463	74,463
	Bank Asia PLC.		60,253,117	19,425,228
	AB Bank PLC.		3,360	3,360
	Pubali Bank PLC.		36,271	658
	Prime Bank PLC.		361,372	5,055,307
	Total		61,183,490	24,842,859
	Fixed Deposits Receipts (FDR Placement)			
	Bangladesh Finance & Investment Company Limited		100,000,000	100,000,000
	Prime Finance & Investment Limited		78,000,000	90,000,000
	NRBC Bank PLC.		51,954,136	47,861,858
	Union Capital Limited		51,352,853	51,352,853
	Southeast Bank PLC.		4,702,356	-
	Total		286,009,346	289,214,711
	Sub Total		348,742,313	314,130,561
	<i>Outside Bangladesh</i>		-	-
	Grand Total		348,742,313	314,130,561
4.01	Maturity grouping of Balance with other Banks and Financial Institutions			
	On demand		133,982,787	120,685,350
	Less than 3 months		99,702,346	89,807,152
	More than 3 months but less than 1 year		83,146,179	74,894,141
	More than 1 year but less than 5 years		31,911,000	28,743,918
	Above 5 years		-	-
	Total		348,742,313	314,130,561
4.a	Consolidated Balance with other Banks and Financial Institutions			
	IIDFC PLC		348,742,313	314,130,561
	IIDFC Securities Limited (Note-4.a.1)		127,034,602	269,285,929
	IIDFC Capital Limited (Note-4.a.2)		23,112,333	32,751,704
	Total		498,889,248	616,168,194
4.a.1	IIDFC Securities Limited			
	Southeast Bank PLC.		214,979	758,467
	One Bank PLC.		10,464,558	95,128,169
	Mercantile Bank PLC.		116,234,262	173,399,293
	MTB PLC.		120,803	-
	Total		127,034,602	269,285,929
4.a.2	IIDFC Capital Limited			
	Southeast Bank PLC.		1,057,850	1,421,238
	One Bank PLC.		16,554,483	19,730,466
	Short Term FDR		5,500,000	11,600,000
	Total		23,112,333	32,751,704
5.00	Money at Call and Short Notice			
	Banks		-	-
	Non-Bank Financial Institutions		-	-
	Total		-	-

IIDFC PLC.

	Particulars	Notes	Amount in Taka		
			31 December 2025	31 December 2024	
6.00	Investments				
	Government Securities				
	Treasury Bill		-	9,351,423	
	National Investment Bond		-	-	
	Bangladesh Bank Bill		-	-	
	Government Notes/ Bond		-	-	
	Prize Bond		-	-	
	Others		-	-	
	Sub Total		-	9,351,423	
	Other Investments				
	Preference Shares		-	-	
	Debenture and Bond (Note-6.1)		68,016,227	69,516,227	
	Investments in Shares (Note-6.2)		373,300,000	395,295,269	
	Investments IPO (Note-6.3)		-	-	
	Gold etc.		-	-	
	Sub Total		441,316,227	464,811,496	
	Total investments		441,316,227	474,162,919	
6.01	Debenture and Bond				
	Investment in Debenture and Bond includes investment in the Bond of Golden Harvest Agro Industries Limited.				
	Opening Balance		69,516,227	69,816,227	
	Add: Addition/ adjustment during the year		-	-	
	Less: Adjustment during the year		1,500,000	300,000	
	Closing Balance		68,016,227	69,516,227	
6.02	Investments in Shares				
	Quoted Shares				
	Bank Company		40,810,685	40,803,222	
	Non-Banking Company		24,530,709	72,631,221	
	Insurance Company		-	-	
	Mutual Fund		-	-	
	Other Company		257,958,606	231,860,826	
	Total		323,300,000	345,295,269	
	Un-quoted Shares				
	MTB Unit Fund		-	-	
	HFAML Unit Fund		50,000,000	50,000,000	
	IDLC Growth Fund		-	-	
			50,000,000	50,000,000	
	Total Investment in Shares		373,300,000	395,295,269	
6.03	Investments IPO		-	-	
			-	-	
6.04	Cost Price Vs Market Price of Quoted Investments		31st December 2025		
			Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
	Bank Company		40,810,685	14,548,861	26,261,824
	Non-Banking Company		24,530,709	9,461,820	15,068,889
	Insurance Company		-	-	-
	Other Company		257,958,606	111,727,265	146,231,340
	Total		323,300,000	135,737,946	187,562,054
	All investments in marketable securities are valued on an aggregate portfolio basis, at the lower of cost and market value as at 31st December 2025. At the end of the reporting year, total cost price of the listed securities was BDT. 323,300,000 where as the market price was BDT. 135,737,946 resulting a required provision of BDT 187,562,054.				
6.05	Maturity grouping of Investments				
	On demand		172,750,375	168,994,912	
	Less than 3 months		111,778,683	108,023,221	
	More than 3 months but less than 1 year		115,546,786	125,546,786	
	More than 1 year but less than 5 years		41,240,383	71,598,000	
	Above 5 years		-	-	
	Total		441,316,227	474,162,919	

IIDFC PLC.

Particulars		Notes	Amount in Taka	
			31 December 2025	31 December 2024
6.a	Consolidated Investments			
	IIDFC PLC		441,316,227	474,162,919
	IIDFC Securities Limited (Note - 6.a.1)		299,948,699	304,882,809
	IIDFC Capital Limited (Note - 6.a.2)		115,221,138	118,648,477
	Total		856,486,064	897,694,205
6.a.1	Investment of IIDFC Securities Limited			
	Quoted Shares			
	Bank Company		54,627,478	54,627,478
	Non-Banking Company		17,685,202	17,685,202
	Insurance Company		10,261,807	3,712,648
	Mutual Fund		13,088,874	13,088,874
	Other Company		174,426,818	185,910,087
	Total		270,090,179	275,024,289
	Un-quoted Shares			
	ICB AMCL2NDNRB Unit Fund		998,100	998,100
	Dhaka Stock Exchange Limited		28,860,420	28,860,420
	Total Investment in Shares		299,948,699	304,882,809
6.a.1.1	Cost Price Vs Market Price of Quoted Investments		31st December 2025	
		Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
	Bank Company	54,627,478	20,720,799	33,906,680
	Non-Banking Company	17,685,202	5,186,482	12,498,720
	Insurance Company	10,261,807	7,279,858	2,981,949
	Mutual Fund	13,088,874	5,650,442	7,438,432
	Other Company	174,426,818	83,580,954	90,845,864
	Total	270,090,179	122,418,535	147,671,644
6.a.2	Investment of IIDFC Capital Limited			
	Quoted Shares			
	Bank Company		-	1,950,467
	Non-Banking Company		-	-
	Insurance Company		-	8,343,533
	Mutual Fund		-	2,047,140
	Other Company		115,221,138	106,307,337
	Total		115,221,138	118,648,477
	Un-quoted Shares			
			-	-
	Total Investment in Shares		115,221,138	118,648,477
6.a.2.1	Cost Price Vs Market Price of Quoted Investments		31st December 2025	
		Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
	Bank Company	-	-	-
	Non-Banking Company	-	-	-
	Insurance Company	-	-	-
	Mutual Fund	-	-	-
	Other Company	115,221,138	60,816,876	54,404,263
	Total	115,221,138	60,816,876	54,404,263
7.00	Loans & Advances			
	Inside Bangladesh:			
	Lease Receivables	14.23%	1,124,393,989	1,229,273,186
	Advance for Lease Finance	0.30%	23,639,979	44,339,979
	Total Lease Finance	14.53%	1,148,033,969	1,273,613,165
	Direct/ Term Finance	84.09%	6,644,539,498	7,315,507,615
	Secured Overdraft	0.10%	7,932,590	8,900,716
	Bills Discounted and Purchased (Note-7.8)	1.28%	101,469,073	114,475,943
	Total Other Finance	85.47%	6,753,941,162	7,438,884,274
	Sub Total	100.00%	7,901,975,130	8,712,497,438

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	Outside Bangladesh:			
	Gross Lease Receivables		-	-
	Less: Unearned Lease Income		-	-
	Net Investment		-	-
	Advance for Lease Finance		-	-
	Direct/ Term Finance		-	-
	Secured Overdraft		-	-
	Factoring Finance		-	-
	Margin Loan		-	-
	Sub Total		-	-
	Total		100.00%	7,901,975,130
7.01	Details of Loans & Advances			8,712,497,438
	Lease Finance			
	Corporate Clients	8.44%	667,290,021	766,770,012
	Small & Medium Enterprises (SME)	6.09%	480,743,948	506,843,153
	Sub Total		14.53%	1,148,033,969
	Direct / term finance			
	Syndication Finance	27.75%	2,193,079,230	2,387,718,542
	Corporate clients	29.80%	2,355,013,318	2,597,229,746
	Small & Medium Enterprises (SME)	24.04%	1,900,495,845	2,103,740,265
	Home Loan	2.37%	187,219,251	218,895,112
	Bills Discounted and Purchased	1.28%	101,320,664	114,475,943
	Secured Overdraft	0.10%	7,932,590	8,900,716
	Employee Loan	0.11%	8,880,264	7,923,949
	Sub Total		85.47%	6,753,941,162
	Grand Total		100%	7,901,975,130
7.02	Maturity grouping of loans & advances			8,712,497,437
	On demand		442,550,955	702,482,360
	Less than 3 months		2,048,919,422	2,324,214,873
	More than 3 months but less than 1 year		3,186,270,134	3,278,035,284
	More than 1 year but less than 5 years		1,760,011,598	1,851,776,748
	Above 5 years		464,223,022	555,988,172
	Total		7,901,975,130	8,712,497,437
7.03	Sector/ Industry-wise Loans & Advances			
	Agricultural sector	5.06%	399,603,140	440,591,280
	Industrial sector:			
	Textiles	11.59%	915,467,168	1,009,368,572
	Garments	17.78%	1,405,296,762	1,549,441,024
	Jutes & jute related goods	5.41%	427,569,894	471,426,643
	Food items producer/processing industry	1.18%	93,420,424	103,002,754
	Plastic industries	3.32%	262,566,217	289,498,189
	Lather and lather goods	0.27%	21,001,475	23,155,641
	Iron, steel and engineering	6.31%	498,565,091	549,703,967
	Chemicals and pharmaceuticals	1.55%	122,863,971	135,466,389
	Cement/ clinker and allied industries	2.19%	173,422,383	191,210,684
	Service sector (Hotel, hospital, clinic, tourism, etc.)	0.51%	40,412,954	44,558,196
	Paper, printing and packaging	2.24%	177,020,320	195,177,669
	Telecommunication and IT industries	8.86%	700,416,960	772,260,209
	Glass and ceramic industries	1.15%	91,015,601	100,351,264
	Shipping and ship building industries	0.00%	-	-
	Electronics and electrical goods	4.36%	344,347,839	379,668,325
	Power, gas, water and sanitary	0.65%	51,066,887	56,304,926
	Transport and communication	4.34%	342,624,279	377,767,976
	Real estate and housing	5.00%	395,363,147	435,916,381
	Merchant banking	2.08%	164,232,232	181,077,880
	Others	16.14%	1,275,698,386	1,406,549,469
	Total	100.00%	7,901,975,130	8,712,497,438

IIDFC PLC.

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
7.04 Geographical Location-wise Loans & Advances			
Inside Bangladesh			
Dhaka Division	79.50%	6,281,802,490	7,040,746,545
Chattogram Division	19.31%	1,525,977,692	1,577,409,062
Barisal Division	0.01%	691,577	838,460
Rajshahi Division	0.00%	-	-
Rangpur Division	0.00%	-	-
Sylhet Division	0.00%	-	-
Mymensingh Division	0.00%	-	-
Khulna Division	1.18%	93,503,371	93,503,371
Sub Total	100.00%	7,901,975,130	8,712,497,438
Outside Bangladesh	-	-	-
Total	100.00%	7,901,975,130	8,712,497,438

7.05 Classification of Loans & advances as per Bangladesh Bank circular				
Unclassified	2025	2024	2025	2024
Standard	17.79%	21.01%	1,405,428,030	1,830,279,973
Special Mention Account (SMA)	5.92%	6.74%	467,868,653	586,925,466
Sub Total	23.71%	27.74%	1,873,296,683	2,417,205,439
Classified				
Sub-standard (SS)	0.00%	1.23%	-	106,881,180
Doubtful (DF)	0.00%	3.13%	-	272,703,234
Bad/ Loss (BL)	76.29%	67.90%	6,028,678,447	5,915,707,585
Sub Total	76.29%	72.26%	6,028,678,447	6,295,291,999
Total	100%	100%	7,901,975,130	8,712,497,438

7.06 Details of Large Loans & Advances

As per DFIM circular No.-10, dated 5 September, 2011, outstanding amount exceeding 15% of total capital of the company is treated as Large Loans & Advances. Total capital of the company was BDT 2,160,521,163 except retained earnings as on 31 December, 2025 whereas BDT 1,575,003,483 as on 31 December, 2025.

Number of Clients	4	7
Outstanding Amount	1,575,003,483	2,602,607,932
Classified Amount	1,575,003,483	1,560,894,340
Measures taken for recovery	-	-

7.07 Particulars of Loans & Advances

1. Loans & advances considered good in respect of which the company is fully secured	3,958,959,658	4,365,038,527
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	2,475,971,088	2,729,936,682
3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	1,314,819,199	1,428,520,400
4. Loans & advances adversely classified for which provision has not been maintained	-	-
5. Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons	-	-
6. Loans & advances due from companies or firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members	143,344,921	181,077,880
7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or officers of the company or any of them either separately or jointly with any other person	8,880,264	7,923,949
8. Maximum total amount of loans & advances including temporary loans & advances granted during the year to the companies of firms in which the directors of the company have interest as directors, partners of managing agents or in the case of private companies,	-	-
9. Due from banking companies	-	-

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Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
10. Amount of classified loans & advances on which interest has not been charged as follows:			
a. (Decrease)/ increase in provision		694,551,002	681,879,218
b. Amount of loans & advances written off		-	-
c. Amount of collection against written of loans & advances		8,687,473	177,255,594
d. Interest credited to interest suspense account		70,924,075	422,082,911
11. Loans & advances written off:			
a. Current year		-	437,163,053
b. Cumulative to date		881,245,215	881,245,215
c. Amount of written off loans for which law suits have been filed		881,245,215	881,245,215
7.08 Bills Discounted and Purchased			
Inside Bangladesh		101,469,073	114,475,943
Outside Bangladesh		-	-
Total		101,469,073	114,475,943
7.09 Maturity grouping of Bills Discounted and Purchased			
Within 1 month		2,780,050	3,141,006
Over 1 month but within 3 months		24,360,056	27,522,918
Over 3 months but within 6 months		29,052,222	32,824,306
Over 6 months		45,276,745	50,987,712
Total		101,469,073	114,475,943
7.a Consolidated Loans & Advances			
IIDFC PLC		7,901,975,130	8,712,497,438
IIDFC Securities Limited (Note-7.a.1)		1,219,929,515	1,433,275,310
IIDFC Capital Limited (Note-7.a.2)		590,693,357	583,044,347
		9,712,598,002	10,728,817,095
Less: Inter Company Loans & Advances			
IIDFC Securities Limited		143,344,921	186,838,882
IIDFC Capital Limited		-	-
		143,344,921	186,838,882
Total		9,569,253,081	10,541,978,213
7.a.1 Loans & Advance of IIDFC Securities Limited			
Margin Loan		1,219,929,515	1,433,275,310
7.a.2 Loans & Advance of IIDFC Capital Limited			
Margin loan		590,693,357	583,044,347
8.00 Fixed assets including premises, furniture & fixtures etc.			
Own Finance			
A. Cost			
Motor Vehicles		8,621,522	11,632,522
Furniture & Fixtures		24,643,665	23,763,167
Office Equipments		50,386,159	48,289,142
Right-of-use asset		123,274,523	117,885,701
Total		206,925,870	201,570,532
B. Less: Accumulated Depreciation			
Motor Vehicles		4,234,609	5,564,904
Furniture & Fixtures		19,894,680	18,461,428
Office Equipments		45,138,196	42,709,438
Right-of-use asset		107,485,102	89,954,114
Total		176,752,587	156,689,884
C. Written Down Value at the end of the year (A-B)		30,173,283	44,880,648
Lease Finance			
D. Cost			
Furniture & Fixtures		-	-
Office Equipments		-	-
Motor Vehicles		-	-
Total		-	-

IIDFC PLC.

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
E. Less: Accumulated Depreciation			
Furniture & Fixtures		-	-
Office Equipments		-	-
Motor Vehicles		-	-
Total		-	-
F. Written Down value at the end of the year (D-E)		-	-
G. Total of premises, furniture & fixtures etc. (C+F)		30,173,283	44,880,648
8.01 Intangible asset - computer software (Details in Annexure-1)			
Cost		13,473,318	12,948,318
Add: Addition during the year		63,000	525,000
Less: Adjustment during the year		-	-
Less: Accumulated amortization		13,189,138	12,548,145
H. Net book value at the end of the year		347,180	925,173
I. Grand total of Fixed assets including premises, furniture & fixtures etc.(G+H)		30,520,463	45,805,821
Details of Property, Plant & Equipments has been presented in Annexure-I			
8.a Consolidated fixed assets including premises, furniture & fixtures etc.(Details in Annexure-1.a)			
IIDFC PLC		30,520,463	45,805,821
IIDFC Securities Limited (Note-8.a.1 & 8.1.a)		5,342,845	6,547,397
IIDFC Capital Limited (Note-8.a.2 & 8.1.a)		1,575,824	287,224
Total		37,439,132	52,640,442
8.a.1 Fixed assets including premises, furniture & fixtures etc. of IIDFC Securities Limited			
A. Cost			
Motor vehicles		-	-
Furniture & fixtures		11,644,202	15,692,277
Office equipments		17,231,853	19,470,273
Total		28,876,055	35,162,550
B. Less: Accumulated depreciation			
Motor vehicles		-	-
Furniture & fixtures		8,601,940	12,692,626
Office equipments		15,470,807	16,673,188
Total		24,072,747	29,365,814
C. Written down value at the end of the year (A-B)		4,803,308	5,796,736
8.a.2 Fixed assets including premises, furniture & fixtures etc. of IIDFC Capital Limited			
A. Cost			
Motor vehicles		-	-
Furniture & fixtures		1,817,956	819,914
Office equipments		4,614,007	4,074,907
Total		6,431,963	4,894,821
B. Less: Accumulated depreciation			
Motor vehicles		-	-
Furniture & fixtures		919,719	819,914
Office equipments		3,936,430	3,787,693
Total		4,856,149	4,607,607
C. Written down value at the end of the year (A-B)		1,575,814	287,214
8.1.a Consolidated intangible asset (Details in Annexure-1.a)			
IIDFC PLC		347,180	925,173
IIDFC Securities Limited		539,537	750,661
IIDFC Capital Limited		10	10
Total		886,727	1,675,844
9.00 Other assets			
Investment in shares of subsidiary companies:			
In Bangladesh		1,534,862,970	1,534,862,970

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	Outside Bangladesh		-	-
	Interest accrued on investment, commissions and other receivables & branch adjustment		22,120,207	10,273,029
	Security deposits		65,463	65,463
	Preliminary expenses, renovation, development and prepaid expenses		1,464,817	1,113,412
	Balance with BO account		98,999	12,371
	Others (Note 9.1)		1,326,179,944	1,350,833,557
	Total		2,884,792,400	2,897,160,802
9.01	Others			
	Interest receivable		272,055,240	281,972,435
	Deferred receivable		221,126	435,794
	Deferred Tax (Note 9.1.1)		2,751,367	1,782,576
	Advance for suppliers		5,250,000	6,263,029
	Advance tax		710,768,541	705,484,013
	Commission on bank guarantee		49,842	49,842
	Others receivable		335,083,828	354,845,868
	Total		1,326,179,944	1,350,833,557
9.1.1	Deferred tax			
	Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12: "Income Taxes".			
9.a	Consolidated other assets			
	IIDFC PLC		2,884,792,400	2,897,160,802
	IIDFC Securities Limited (Note-9.a.1)		364,123,265	387,234,108
	IIDFC Capital Limited (Note-9.a.2)		85,151,969	97,055,274
			3,334,067,634	3,381,450,184
	Less: Inter company investment			
	IIDFC Securities Limited		999,962,321	999,874,970
	IIDFC Capital Limited		599,988,000	599,988,000
			1,599,950,321	1,599,862,970
	Total		1,734,117,313	1,781,587,214
9.a.1	Other assets of IIDFC Securities Limited			
	Cost of TREC holding		85,978,830	85,978,830
	Advance rent		435,000	969,240
	Security deposits		368,456	468,456
	Advance tax		271,025,874	256,269,341
	Others		6,315,105	43,548,241
	Total		364,123,265	387,234,108
9.a.2	Other assets of IIDFC Capital Limited			
	License fee		30,196,209	30,196,209
	Receivable from brokerage houses		1,946,868	7,027,497
	Security deposits		200,000	200,000
	Advance tax		52,681,540	52,003,177
	Deferred tax assets		69,911	50,136
	Others		57,441	7,578,255
	Total		85,151,969	97,055,274
10.00	Non-banking assets		4,343,820	4,987,820
	This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.			
11.00	Borrowings from other banks, financial Institutions & agents			
	Inside Bangladesh:			
	Refinance against SME and other loans from Bangladesh Bank		832,354,236	995,968,725
	From other scheduled Banks (Note - 11.01)		4,817,213,062	4,500,749,971
	Sub Total		5,649,567,298	5,496,718,696
	Outside Bangladesh		-	-
	Total		5,649,567,298	5,496,718,696

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
11.01	From other scheduled banks & financial institutions			
	Long term loan			
	Shahjalal Islami Bank PLC.		492,372,700	468,186,402
	Pubali Bank PLC.		1,084,703,884	995,137,217
	Uttara Bank PLC.		432,440,695	378,176,519
	NCC Bank PLC.		56,917,882	49,024,111
	Trust Bank PLC.		595,123,558	520,737,476
	Midland Bank PLC.		137,092,318	119,698,556
	National Bank PLC.		49,501,325	60,712,949
	Sub-Total		2,848,152,362	2,591,673,230
	Short term loan, overdraft and money at call & short notice			
	Sonali Bank PLC.		74,300,000	74,300,000
	Mutual Trust Bank PLC.		653,804,892	603,006,411
	SBAC bank PLC.		11,400,000	14,000,000
	Pubali Bank PLC.		232,355,807	214,270,330
	City Bank PLC.		801,300,000	803,400,000
	NCC Bank PLC.		195,900,000	200,100,000
	Sub-Total		1,969,060,700	1,909,076,741
	Grand Total		4,817,213,062	4,500,749,971
	Security against borrowings from other banks, financial institutions and agents			
	Secured		3,931,052,362	3,703,473,230
	Unsecured		886,160,700	797,276,741
	Total		4,817,213,062	4,500,749,971
	Security is covered by first equitable mortgage of all present and future immovable properties and by floating charges on movable assets of the Company ranking pari-passu among the lenders. The Company has a Pari Passu Security Sharing Agreement (PPSSA) among the secured lenders stipulating the procedure in the sharing of the security provided by the Company. Loans repayable within one year have been placed under current liabilities. Details of loans are as follows:			
	Maturity grouping of borrowings from other banks, financial institutions and agents			
	Payable on demand		1,555,644,236	1,453,498,914
	Up to 1 month		1,099,201,331	1,026,990,149
	Over 1 month but within 6 months		827,520,305	773,156,998
	Over 6 months but within 1 year		547,060,469	511,121,754
	Over 1 year but within 5 years		269,372,890	251,676,646
	Over 5 years		518,413,830	484,357,034
	Total		4,817,213,062	4,500,801,495
11.a	Consolidated borrowings from other banks, financial Institutions & agents			
	Inside Bangladesh			
	IIDFC PLC		5,649,567,298	5,496,718,696
	IIDFC Securities Limited (Note-11.a.1)		164,881,755	343,013,071
	IIDFC Capital Limited (Note-11.a.2)		13,596,845	25,425,708
			5,828,045,898	5,865,157,475
	Less: Inter company borrowings			
	IIDFC Securities Limited		143,344,921	181,077,880
	IIDFC Capital Limited		-	-
	Total		143,344,921	181,077,880
			5,684,700,977	5,684,079,595
11.a.1	Borrowings of IIDFC Securities Limited			
	Inside Bangladesh			
	IIDFC PLC		143,344,921	181,077,880
	Investment Corporation of Bangladesh		21,561,077	56,908,678
	ONE Bank Limited		-	58,868,401
	Mercantile Bank		(24,243)	46,158,112
	Total		164,881,755	343,013,071
11.a.2	Borrowings of IIDFC Capital Limited			
	IIDFC PLC		13,596,845	25,425,708
	Investment Corporation of Bangladesh (ICB)			
	Standard Bank Ltd.			
	Total		13,596,845	25,425,708

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
12.00	Deposits & other accounts			
	Deposits from banks and financial institutions (Note-12.01)		1,431,000,000	1,443,000,000
	Deposits from customers		3,320,029,433	3,478,369,358
	Sub-Total		4,751,029,433	4,921,369,358
	Other deposit		2,122,897	2,617,604
	Grand Total		4,753,152,330	4,923,986,962
	IIDFC maintains the highest level of commitment to depositors in terms of repayment, customer service and best returns from their investment.			
12.01	Deposits from banks and financial institutions			
	Agrani Bank PLC.		200,000,000	200,000,000
	Prime Finance & Investment Limited		78,000,000	90,000,000
	BRAC Bank PLC.		100,000,000	100,000,000
	Sonali Bank PLC.		200,000,000	200,000,000
	Janata Bank PLC.		200,000,000	200,000,000
	Shahjalal Islami Bank PLC.		135,000,000	135,000,000
	Shimanto Bank PLC.		368,000,000	368,000,000
	NRBC Bank PLC.		50,000,000	50,000,000
	Bangladesh Finance Limited		100,000,000	100,000,000
			1,431,000,000	1,443,000,000
12.02	Maturity grouping of deposits & other accounts			
	Payable on demand		-	-
	Up to 1 month		182,457,679	216,624,606
	Over 1 month but within 6 months		1,257,464,247	1,291,631,173
	Over 6 months but within 1 year		1,984,393,698	2,018,560,624
	Over 1 year but within 5 years		1,249,433,069	1,283,599,995
	Over 5 years but within 10 years		79,403,638	113,570,564
	Over 10 years		-	-
	Total		4,753,152,330	4,923,986,962
12.a	Consolidated Deposits & Other Accounts			
	IIDFC PLC		4,751,029,433	4,921,369,358
	IIDFC Securities Limited		-	-
	IIDFC Capital Limited (Note-12.a.1)		-	-
	Sub Total		4,751,029,433	4,921,369,358
	Other Deposit		2,122,897	2,617,604
	Total		4,753,152,330	4,923,986,962
12.a.1	Deposits & Other Accounts of IIDFC Capital Limited			
	Deposits from Banks		-	-
	Deposits from Customers		-	-
	Total		-	-
13.00	Other Liabilities			
	Finance loss reserve (Note 13.01)		5,583,443,693	4,902,882,945
	Deferred tax		1,234,949	645,073
	Interest suspense account (Note 13.02)		1,566,283,460	1,612,556,225
	Lease rental advance		6,025,261	7,563,033
	Provision for current tax (Note 38)		684,097,691	679,157,489
	Liabilities for financial expenses		338,465,971	145,665,179
	Liabilities for expenses		160,458,053	71,247,773
	Liabilities for other finance		84,140,388	44,350,524
	Lease liability		10,930,702	22,736,271
	Total		8,435,080,169	7,486,804,512
13.01	Finance Loss Reserve			
	Specific Provision on Classified Loans & Advances			
	Opening Balance		3,571,217,558	3,143,833,107
	Less: Provision fully provided loans & advances written-off during the year		-	268,969,177
	Add: Specific provision provided during the year		104,900,543	696,353,627
	Closing balance		3,676,118,101	3,571,217,558
	Provision for diminution in value of Investments			

IIDFC PLC.

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
Opening Balance		201,428,711	130,724,336
Add: Provision during the year		(13,866,658)	70,704,375
Closing Balance		187,562,053	201,428,711
General Provision on unclassified Loans & Advances			
Opening balance		43,367,099	62,360,344
Add: General provision provided during the year		(13,524,682)	(18,993,245)
Closing Balance		29,842,417	43,367,099
Additional provision		28,107,167	30,264,710
Other provision		1,661,813,954	1,056,604,867
Total		5,583,443,693	4,902,882,945
Particulars of required provision for Loans and Advances			
Status of classification	Base for provision	Rate	
Unclassified (General provision)			
Standard - other than SME	1,097,155,406	1.0%	10,971,554
Standard - SME	74,273,355	0.25%	185,683
Standard - Own or Other brokerage house	143,344,921	2.00%	2,866,898
Special mention account (SMA) for SME	113,259,903	0.25%	283,150
Special mention account (SMA)	310,702,639	5.0%	15,535,132
Total	1,738,736,224		29,842,418
Classified (Specific provision)			
Sub-standard (SS)	-	20.0%	-
Sub-standard (SS) for SME	26,056,990	5.0%	4,095,432
Doubtful (DF)	-	50.0%	-
Doubtful (DF) for SME	-	20.0%	-
Bad/ loss (BL)	3,672,022,669	100.0%	3,672,022,669
Total	3,698,079,659		3,676,118,101
Required provision for Investments		187,562,053	201,428,711
Additional provision (Note-13.1.a)		28,107,167	30,264,710
Other provision (Note-13.1.b & 13.1.b.1)		1,661,813,954	1,056,604,867
Total provision required		5,583,443,693	4,902,882,945
Total provision made		5,583,443,693	4,902,882,945
Excess /(Shortage) provision made		-	-
13.1.a Additional provision			
Opening Balance		30,264,710	34,393,806
Add: Provision amount during the year		-	-
Less: Amount closing/adjusted during the year		(2,157,543)	(4,129,096)
Closing Balance		28,107,167	30,264,710
13.1.b Other provision			
Opening Balance		35,690,173	35,690,173
Add: Provision amount during the year		-	-
Less: Amount closing/adjusted during the year		-	-
Closing Balance		35,690,173	35,690,173
13.1.b.1 Other provision as per Bangladesh Bank			
Provision against equity investment in subsidiaries		910,545,705	320,000,000
Provision against deferred receivable		221,126	542,179
Provision against other assets		711,013,130	700,372,515
Provision against non-banking asset		4,343,820	-
Closing Balance		1,626,123,781	1,020,914,694
13.02 Interest suspense account			
Opening Balance		1,612,556,225	1,367,005,966
Add: Amount transferred to interest suspense account during the year		70,924,075	422,082,911
Less: Amount written-off during the year/Adjustment		117,196,840	176,532,652
Closing Balance		1,566,283,460	1,612,556,225

IIDFC PLC.

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024

13.a Consolidated Other Liabilities

IIDFC PLC	8,435,080,169	7,486,804,512
IIDFC Securities Limited (Note-13.a.1)	760,771,941	933,103,652
IIDFC Capital Limited (Note-13.a.2)	274,467,861	261,976,237
	9,470,319,971	8,681,884,401
Less: Inter company liabilities		
IIDFC Securities Limited	87,351	5,761,002
IIDFC Capital Limited	-	-
Total	9,470,232,620	8,676,123,399

13.a.1 Other Liabilities of IIDFC Securities Limited

Provision for loans & advances-margin loan	96,361,436	65,483,722
Provision for current tax	264,162,749	244,658,514
Payable to clients	84,308,906	253,738,682
Payable to merchant Banks (City Bank Capital, SEB Capital & IIDFC Capital)	1,544	5,761,002
Payable to DSE	2,478,734	586,967
Interest suspense account	250,353,380	283,364,570
Liability for expenses	17,703,636	49,763,430
Reserve for risk fund	1,616,667	1,516,667
Provision for diminution in value of investments	43,784,889	28,230,098
Total	760,771,941	933,103,652

Following the BSEC directives, IIDFC Securities Ltd. approved a plan to gradually provision unrealized losses on stock-dealer in its 66th meeting dated August 30, 2025, submitted proposal to DSE and BSEC on September 24, 2025. BSEC approved this plan on November 16, 2025, with specified conditions under Order No. BSEC/SMMID/NI/AP/2025/108/629. The commission recommends executing this plan by December 31, 2030; non-compliance may lead to further action. In this connection, an amount of BDT 15,554,791 has been considered with fair value adjustment during the year as per

In response to BSEC directives, IIDFC Securities Ltd. approved an action plan for the gradual provisioning of unrealized losses in client margin accounts in its 66th meeting dated August 30, 2025. The company submitted the action plan to DSE and BSEC for approval on September 24, 2025. BSEC approved the proposal for the gradual provision against negative equity margin loan on November 16, 2025, subject to specific conditions by December 31, 2030, as specified in Order No. BSEC/SMMID/NI/AP/2025/108/629 dated November 13, 2025. In this connection, an amount of BDT 44,108,673.00 has been made new provision during the year as per approved

13.a.2 Other liabilities of IIDFC Capital Limited

Finance loss reserve	195,385,951	175,576,223
Provision for diminution in value of investment	15,893,071	14,097,877
Current tax liability	55,534,071	54,922,866
Liability for financial expenses (Portfolio Investors' Fund)	6,417,419	15,666,074
Liability for expenses	1,237,349	1,713,197
Payable to stock broker	-	-
Total	274,467,861	261,976,237

As per BSEC letter, letter no. BSEC/SMMID/NE/AP/2025/108/650, IIDFC Capital Limited has been allowed to maintain provision against company own investment over the period from 2025 to 2030. The total provision required under the approved plan is BDT 35,903,972. In accordance with the schedule, BDT 1,795,194 has been recognized as provision for the year ended 2025.

Subsequently, another BSEC letter, letter no. BSEC/SMMID/NE/AP/2025/108/650, IIDFC Capital Limited has been allowed to maintain provision against negative equity over the period from 2025 to 2030. The total provision required under the approved plan is BDT 396,194,569. In accordance with the schedule, BDT 19,809,728 has been recognized as provision for the year ended 2025.

Share Capital

Authorized Capital

(500,000,000 shares of Tk. 10 each)

5,000,000,000	5,000,000,000
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Subscribed & Paid-up Capital:

(173,777,068 shares of Tk. 10 each)

1,737,770,680	1,737,770,680
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Paid-up Share Capital as on 31 December, 2020 comprises the followings

Public Sector

Name of Shareholders

No. of Shares	Value	Percentage
Sonali Bank Limited	13,380,903	7.70%
Janata Bank Limited	13,380,903	7.70%
Investment corporation of Bangladesh	13,380,903	7.70%
40,142,709	401,427,090	23.10%

Private sector

AB Bank Ltd.	2,667,923	1.54%
Bank Asia Ltd.	13,380,903	7.70%

IIDFC PLC.

Particulars	Notes	Amount in Taka	
		31 December 2025	31 December 2024
BRAC Bank Ltd.	10,449,259	104,492,590	6.01%
City Bank Ltd.	13,380,903	133,809,030	7.70%
Mutual Trust Bank Ltd.	13,380,903	133,809,030	7.70%
National Bank Ltd.	13,380,903	133,809,030	7.70%
ONE Bank Ltd.	13,380,903	133,809,030	7.70%
Southeast Bank Ltd.	10,449,259	104,492,590	6.01%
Eastland Insurance Co. Ltd.	10,449,259	104,492,590	6.01%
National Life Insurance Co. Ltd.	13,380,903	133,809,030	7.70%
Pragati Insurance Ltd.	13,380,903	133,809,030	7.70%
Mr. Md. Matiul Islam	5,952,338	59,523,380	3.43%
Total	133,634,359	1,336,343,590	76.90%
14.01 Capital adequacy	173,777,068	1,737,770,680	100.00%

As per sub-section 3(Ga) of section 4 of the Financial Institutions Regulations 1994 and DFIM Circular No. 05 dated 24 July 2011 and DFIM Circular No. 09 dated 24 June 2014 the minimum paid up capital of the Financial Institution shall be Taka 100 crore. Provided that the sum of paid up capital and reserves shall not be less than the minimum capital determined under the Risk Based Assets of the Company.

Paid up capital	1,737,770,680	1,737,770,680
Required capital as per Bangladesh Bank	1,000,000,000	1,000,000,000
Excess/(Shortage) capital	737,770,680	737,770,680

14.02 Capital adequacy and market discipline

As per Capital Adequacy and Market Discipline for Financial Institutions guideline of Bangladesh Bank, IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I. IIDFC maintain Capital Adequacy Ratio (CAR) of minimum 10%.

Tier-1 (Core Capital)

Fully paid-up capital/ capital lien with BB	1,737,770,680	1,737,770,680
Statutory reserve	371,950,483	371,950,483
Non-repayable share premium account (share money deposits)	-	-
General reserve	50,800,000	50,800,000
Retained earnings	(9,335,725,737)	(7,564,721,833)
Minority interest in subsidiaries	-	-
Non-cumulative irredeemable preference shares	-	-
Dividend equalization account	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	(7,175,204,573)	(5,404,200,669)

Deductions from tier-1 (Core capital)

Book value of goodwill and any value of any contingent assets which are shown as assets	-	-
Shortfall in provisions required against classified assets	-	-
Shortfall in provisions required against investment in share	-	-
Remaining deficit on account of revaluation of investments	-	-
in securities after netting off any other surplus on the securities	-	-
Any investment exceeding the approved limit	-	-
Investments in subsidiaries which are not consolidated	-	-
Other (if any)	-	-
Sub-Total	-	-
Total eligible Tier-1 capital	(7,175,204,573)	(5,404,200,669)

2. Tier-2 (Supplementary capital)

General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)	128,826,872	133,820,193
Assets revaluation reserves up to 50%	-	-
Revaluation reserve for securities up to 50%	-	-
All other preference shares	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	128,826,872	133,820,193
Deductions, if any	-	-
Total eligible Tier-2 capital	128,826,872	133,820,193

A Total capital	(7,046,377,701)	(5,270,380,476)
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IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
B	Total risk weighted asset		10,577,625,672	10,993,348,569
C	Required capital		1,057,762,567	1,099,334,857
D	Surplus / (Deficit)		(8,104,140,268)	(6,369,715,338)
	Capital adequacy ratio (CAR)		-66.62%	-47.94%
	On core capital (Tier-1)		-67.83%	-49.16%
	On supplementary capital (Tier-2)		1.22%	1.22%
15.00	Statutory reserve			
	Opening balance		371,950,483	371,950,483
	Add: Addition during the year		-	-
	Closing balance		371,950,483	371,950,483
In compliance with the clause no 6 of Financial Institutions Regulations, 1994 and Finance Company Act 2023, Financial Institution is required to transfer at least 20% of its profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserve is less than the paid up capital of that financial institution.				
16.00	General reserve			
	Opening Balance		50,800,000	50,800,000
	Add: Addition during the year		-	-
	Closing balance		50,800,000	50,800,000
General reserve represents reserve for mitigating general and contingent situation which are unforeseen or uncertain relating to the Company and its stakeholders.				
16.a	Consolidated general reserve			
	IIDFC PLC		50,800,000	50,800,000
	IIDFC Securities Limited		17,796,301	17,796,301
	IIDFC Capital Limited		466,273	466,273
			69,062,574	69,062,574
17.00	Share Money Deposit			
	Opening balance		-	-
	Add: Addition during the year		-	-
	Less: Transfer as Right share and include in Paid-up Capital		-	-
	Closing balance		-	-
18.00	Stock dividend			
	Opening balance		-	-
	Add: Stock dividend		-	-
	Less: Converted into paid up capital		-	-
	Closing balance		-	-
18.a	Consolidated stock dividend			
	IIDFC PLC		-	-
	IIDFC Securities Ltd.		-	-
	IIDFC Capital Limited		-	-
			-	-
19.00	Retained earnings			
	Opening balance		(7,564,721,832)	(5,551,631,967)
	Less: Non-divisible profit		-	-
	Net profit during the year		(1,659,768,554)	(1,587,686,145)
	Less: Statutory reserve		-	-
	Less: General reserve		-	-
	Less: Prior year adjustment		(111,235,350)	(425,403,721)
	Closing balance		(9,335,725,737)	(7,564,721,832)
IIDFC received deferral facilities from Bangladesh Bank for the five-year period from 2020 to 2024 under the approval reference No. DFIM(C)1054/41/2021-2576 dated 16 November 2021. Because of the classified accounts in earlier years, the following adjustments have been made for provisioning in 2024.				
Interest of BDT 11.24 million recognized as income in earlier years is required to transfer to interest suspense account by adjusting with retained earnings. But accordingly, this amount has been adjusted with retained earnings as a prior year adjustment and waived with loan closing in 2025 as per considering cost of fund and case to case Bangladesh Bank approval along with the Board approval.				
19.a	Consolidated Retained earnings			
	IIDFC PLC		(9,335,725,737)	(7,564,721,832)
	IIDFC Securities Limited (Note-19.a.1)		72,944,343	107,364,643

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	IIDFC Capital Limited (Note-19.a.2)		(72,756,057)	(56,070,074)
	Sub-Total		(9,335,537,451)	(7,513,427,263)
	Less: Non-controlling interest		7,665	12,302
	Total		(9,335,545,116)	(7,513,439,566)
19.a.1	Retained earnings of IIDFC Securities Ltd.			
	Opening balance		107,364,643	115,149,691
	Add: Prior year adjustment		-	-
	Add: Net profit during the year		(34,420,300)	(3,690,143)
	Less: Transfer to other liabilities		-	3,800,444
	Less: Transfer to capital/general reserve		-	294,461
	Closing balance		72,944,343	107,364,643
19.a.2	Retained earnings IIDFC Capital Ltd.			
	Opening balance		(56,070,074)	(58,789,859)
	Add: Net profit during the year		(16,685,983)	3,021,983
	Less: Transfer to capital/general reserve		-	302,198
	Closing balance		(72,756,057)	(56,070,074)
19.a.3	Non-controlling interest			
	Share capital		137,030	137,030
	Retained earnings		7,665	12,302
	General reserve		2,126	2,126
	Closing balance		146,821	151,458

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
21.a	Consolidated interest income			
	IIDFC PLC		368,185,270	381,557,432
	IIDFC Securities Limited (Note-21.a.1)		101,311,383	78,895,854
	IIDFC Capital Limited (Note-21.a.2)		12,013,389	12,483,866
			481,510,041	472,937,152
	Less: Inter company transaction			
	IIDFC Securities Limited		25,085,170	30,450,035
	IIDFC Capital Limited		-	-
			25,085,170	30,450,035
	Total		456,424,871	442,487,117
21.a.1	Interest income of IIDFC Securities Limited			
	Interest income from margin loan		65,527,429	76,063,394
	Interest income from balance with other banks		35,248,185	2,832,460
	Interest Income from Treasury bill		348,900	-
	Interest income from short term advance		186,869	-
	Total		101,311,383	78,895,854
21.a.2	Interest income of IIDFC Capital Limited			
	Interest income from margin loan		12,013,389	12,483,866
	Interest income from balance with other banks & financial institutions		-	-
	Total		12,013,389	12,483,866
22.00	Interest paid on deposits, borrowings etc.			
	Interest on deposits			
	Fixed deposits		191,860,089	172,195,820
	Short-term deposits		345,279,958	330,919,611
	Other deposits		-	-
			537,140,046	503,115,431
	Interest on borrowings			
	For borrowings from other banks, financial institutions			
	Long term loan		403,138,834	347,466,264
	Overdraft facilities		106,661,930	90,963,806
	Money at call and short notice		122,212,242	118,160,851
			632,013,006	556,590,921
	Interest on lease rent		2,606,187	3,054,538
	Total		1,171,759,240	1,062,760,890
22.a	Consolidated interest paid on deposits, borrowings etc.			
	IIDFC PLC		1,171,759,240	1,062,760,890
	IIDFC Securities Limited (Note-22.a.1)		33,257,235	43,546,869
	IIDFC Capital Limited (Note-22.a.2)		745,932	843,644
			1,205,762,407	1,107,151,403
	Less: Inter company transaction			
	IIDFC Securities Limited		25,085,170	30,450,035
	IIDFC Capital Limited		-	-
			25,085,170	30,450,035
	Total		1,180,677,237	1,076,701,368
22.a.1	Interest paid on deposits, borrowings etc. of IIDFC Securities Limited			
	Interest on borrowing from IIDFC Ltd .		24,898,301	30,450,035
	Interest on borrowing from bank & other financial institutions		8,358,934	13,096,834
	Total		33,257,235	43,546,869

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
22.a.2	Interest paid on deposits, borrowings etc. of IIDFC Capital Limited			
	Interest on borrowing from bank & other financial institutions		-	-
	Interest on Demand Loan		745,932	843,644
	Total		745,932	843,644
23.00	Income from investment			
	Capital gain		(22,246,636)	(7,873,837)
	Interest income from Bond & Others		148,577	1,355,765
	Interest income from Unit Fund and other investment		-	-
	Dividend income		2,619,096	7,366,644
	Total		(19,478,963)	848,572
23.a	Consolidated income from investment			
	IIDFC PLC		(19,478,963)	848,572
	IIDFC Securities Limited (Note-23.a.1)		755,859	7,127,455
	IIDFC Capital Limited (Note-23.a.2)		4,323,278	8,246,825
	Total		(14,399,826)	16,222,852
23.a.1	Income from investment of IIDFC Securities Limited			
	Dividend income		3,416,944	6,005,048
	Capital gain on investment in securities		(2,661,085)	1,122,407
	Total		755,859	7,127,455
23.a.2	Income/(Loss) from investment of IIDFC Capital Limited			
	Dividend income		1,788,777	1,077,618
	Capital gain/(loss) on investment in securities		2,534,501	7,169,206
	Total		4,323,278	8,246,825
24.00	Commission, exchange and brokerage			
	Commission on securities trading		-	-
	Total		-	-
24.a	Consolidated income from commission, exchange and brokerage			
	IIDFC PLC		-	-
	IIDFC Securities Limited		69,601,824	73,460,665
	IIDFC Capital Limited		2,646,342	2,068,884
	Total		72,248,166	75,529,549
25.00	Other operating income			
	Syndication fee income		1,354,348	1,304,348
	Bank guarantee income		-	-
	Carbon finance income		-	-
	Application & processing fees		264,713	182,213
	Transfer fees		422,973	2,507
	Notice charge		96,559	461,564
	Profit from sale of fixed assets		(573,900)	1,558,144
	Cancellation charges		-	-
	Other income		936,031	8,228,580
	Total		2,500,724	11,737,356
25.a	Consolidated other operating income			
	IIDFC PLC		2,500,724	11,737,356
	IIDFC Securities Limited (Note-25.a.1)		427,963	508,515
	IIDFC Capital Limited (Note-25.a.2)		2,065,589	2,484,879
	Total		4,994,276	14,730,750
25.a.1	Other operating income of IIDFC Securities Limited			
	BO & trading accounts maintenance income		245,600	420,731
	Income against CDBL charges		-	-
	Gain on disposal of assets		146,963	3,000
	Cheque dishonour charges		31,900	32,000
	Others		3,500	52,784
	Income from dealer account		-	-
	Reversal of payable to SBCL		-	-
	Total		427,963	508,515

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
25.a.2	Other operating income of IIDFC Capital Limited			
	Non Operating Income		2,065,589	2,484,879
	Underwriting commission		-	-
	Service Charge & Commission		-	-
	Total		2,065,589	2,484,879
26.00	Salaries & allowances			
	Basic salary		43,076,609	46,175,122
	Allowances		27,358,546	29,754,911
	Festival bonus		6,772,750	6,261,384
	Company's contribution provident fund		3,447,004	3,744,508
	Group insurance		1,754,314	1,743,142
	Retirement benefits & gratuity		13,492,605	-
	Total		95,901,828	87,679,067
Salaries and allowances of IIDFC PLC include annual contribution to Provident Fund and Gratuity Fund. This Provident Fund and Gratuity Fund is also applicable for IIDFC group also.				
IIDFC PLC operates a funded gratuity scheme (which is a defined benefit scheme as specified in IAS 19). Gratuity fund is administered by a Board of Trustees and Company contributions are invested separately from company assets. Employees are entitled to gratuity benefit after completion of a minimum years of service with the Company. The Company is contributing to the fund as per yearly requirement based on present employees status and payment requirement.				
26.a	Consolidated salaries & allowances			
	IIDFC PLC		95,901,828	87,679,067
	IIDFC Securities Limited (Note-26.a.1)		65,895,562	63,223,638
	IIDFC Capital Limited (Note-26.a.2)		10,464,510	7,258,381
	Total		172,261,900	158,161,086
26.a.1	Salaries & allowances of IIDFC Securities Limited			
	Basic salary		20,226,805	19,621,785
	Allowances		16,316,891	15,906,778
	Bonus		4,398,424	4,711,212
	Company's contribution to provident fund		2,725,732	1,806,492
	Group insurance		910,009	888,078
	Retirement benefits & gratuity		6,907,298	8,000,000
	Leave fare assistance		1,789,586	1,529,739
	Leave encashment		107,337	45,773
	Associate salary		9,780,703	7,938,275
	Casual staff salary		1,534,000	1,566,000
	Employees recreation		1,198,777	1,209,506
	Total		65,895,562	63,223,638
26.a.2	Salaries & allowances of IIDFC Capital Limited			
	Basic salary		4,557,972	2,800,312
	Allowances		3,699,443	2,104,337
	Bonus		720,651	385,618
	Company's contribution provident fund		438,866	246,478
	Group Insurance		161,458	215,553
	Cleaning staff salary		112,500	112,500
	Retirement benefits & gratuity		397,878	246,560
	Leave fare assistance		353,075	277,540
	Intern Allowances		22,667	-
	Leave encashment		-	12,618
	Others (Deputation Staff Salary)		-	856,865
	Total		10,464,510	7,258,381
27.00	Rent, taxes, insurance, electricity etc.			
	Office rent		46,944	2,754,813
	Rate & taxes		144,640	224,694
	Insurance payment		93,012	149,715
	Electricity, gas and water		2,829,008	2,918,997
	Total		3,113,604	6,048,219

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
27.1	Disclosure related to office rent:			
	Actual rent expenses		20,184,119	23,916,688
	Less: Reclassification of rent expenses (as per IFRS-16: Leases)		20,137,175	21,161,875
	Rent expense as reported		<u>46,944</u>	<u>2,754,813</u>
	In addition the above mentioned change in rent expense, implementation of IFRS-16 has resulted in charging of depreciation against Right-of-use asset as disclose in Annexure-I and of interest expense on lease rent as disclosed in note-22			
27.a	Consolidated rent, taxes, insurance, electricity etc.			
	IIDFC PLC		3,113,604	6,048,219
	IIDFC Securities Limited (Note-27.a.1)		10,466,758	9,451,113
	IIDFC Capital Limited (Note-27.a.2)		1,564,227	1,345,334
	Total		<u>15,144,589</u>	<u>16,844,666</u>
27.a.1	Rent, taxes, insurance, electricity etc. of IIDFC Securities Limited			
	Rent, rates and taxes		9,110,148	8,099,943
	Insurance		3,202	19,398
	Electricity, gas and water		1,353,408	1,331,772
	Total		<u>10,466,758</u>	<u>9,451,113</u>
27.a.2	Rent, taxes, insurance, electricity etc. of IIDFC Capital Limited			
	Rent, rates and taxes		1,384,905	1,069,200
	Water, gas and other bills		35,395	7,332
	Electricity bill		143,927	268,802
	Total		<u>1,564,227</u>	<u>1,345,334</u>
28.00	Legal expenses			
	Professional charges		1,344,033	921,006
	Legal expenses		4,325,351	5,945,240
	Total		<u>5,669,384</u>	<u>6,866,246</u>
28.a	Consolidated legal expenses			
	IIDFC PLC		5,669,384	6,866,246
	IIDFC Securities Limited		1,567,989	602,982
	IIDFC Capital Limited		78,750	80,625
	Total		<u>7,316,123</u>	<u>7,549,853</u>
29.00	Postage, stamp, telecommunications etc.			
	Postage and courier		75,744	91,227
	Phone, fax & internet		2,407,419	2,866,690
	Total		<u>2,483,163</u>	<u>2,957,917</u>
29.a	Consolidated postage, stamp, telecommunications etc.			
	IIDFC PLC		2,483,163	2,957,917
	IIDFC Securities Limited		2,100,244	2,229,564
	IIDFC Capital Limited		254,961	249,179
	Total		<u>4,838,368</u>	<u>5,436,660</u>
30.00	Stationery, printing, advertisement etc.			
	Printing & stationery		1,337,816	1,299,275
	Advertisement		1,101,038	898,242
	Total		<u>2,438,854</u>	<u>2,197,518</u>
30.a	Consolidated stationery, printing, advertisement etc.			
	IIDFC PLC		2,438,854	2,197,518
	IIDFC Securities Limited		900,542	950,071
	IIDFC Capital Limited		190,808	369,835
	Total		<u>3,530,204</u>	<u>3,517,424</u>
31.00	Managing director's salary and fees			
	Basic salary		1,408,917	3,902,250
	House rent allowance		704,458	1,951,125

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	Medical allowance		67,374	181,498
	Entertainment allowance		67,374	181,498
	Festival bonus		332,750	635,250
	Car allowance (Note-36.1)		212,870	918,172
	Group insurance		64,938	129,876
	Mobile allowance		10,000	-
	Leave fare assistance		-	-
	Earned leave		-	-
	Others		5,425	20,610
	Total		2,874,107	7,920,279
32.00	Directors' Fees			
	Directors' fees		556,000	780,800
	Others Benefits		-	-
	Total		556,000	780,800
The Company pays fees to its Directors for attending the Board Meeting and its Committee Meetings as permitted by the Bangladesh Bank. As per DFIM Circular # 03, dated February 24, 2010 Directors/Committee Members have been paid fees @ Tk. 5,000.00 for attending each meeting. At present, Directors/Committee Members are paying fees @ Tk. 8,000.00 for attending each meeting as per DFIM Circular # 13, dated November 30, 2015.				
32.a	Consolidated directors' fees			
	IIDFC PLC		556,000	780,800
	IIDFC Securities Limited		413,600	176,000
	IIDFC Capital Limited		396,800	171,000
	Total		1,366,400	1,127,800
33.00	Auditor's fees		540,500	580,750
33.a	Consolidated auditor's fees			
	IIDFC PLC		540,500	580,750
	IIDFC Securities Limited		115,000	166,750
	IIDFC Capital Limited		115,000	143,750
	Total		770,500	891,250
34.00	Loans & advances written-off			
	Loans & advances written-off during the year		-	-
	Interest waived		-	-
	Total		-	-
34.a	Consolidated loans & advances written-off			
	IIDFC PLC		-	-
	IIDFC Securities Limited		33,054	4,429
	IIDFC Capital Limited		-	-
	Total		33,054	4,429
35.00	Repair, depreciation and amortizations of company's assets			
	Repair of company's assets:			
	Furniture & fixtures		728,541	353,357
	Software's		215,000	151,055
	Office equipments		904,433	452,635
	Sub Total		1,847,973	957,047
	Depreciation of company's assets			
	Depreciation of Fixed assets including premises, furniture & fixtures		23,435,203	24,692,702
	Sub Total		23,435,203	24,692,702
	Amortization of intangible assets			
	Computer software		640,993	1,053,750
	Total repair and depreciation of company's assets		25,924,169	26,703,499
35.a	Consolidated repair, depreciation and amortization of intangible assets			
	Repair of company's assets			
	IIDFC PLC		1,847,973	957,047
	IIDFC Securities Limited		1,561,608	355,881
	IIDFC Capital Limited		26,540	75,535
	Total		3,436,121	1,388,463

IIDFC PLC.

	Particulars	Notes	Amount in Taka	
			31 December 2025	31 December 2024
	Depreciation of Fixed assets including premises, furniture & fixtures			
	IIDFC PLC		23,435,203	24,692,702
	IIDFC Securities Limited		1,955,953	1,899,090
	IIDFC Capital Limited		248,542	63,047
			25,639,698	26,654,839
	Amortization of intangible assets			
	IIDFC PLC		640,993	1,053,750
	IIDFC Securities Limited		211,124	211,128
	IIDFC Capital Limited		-	-
			852,117	1,264,878
	Total repair and depreciation of assets		29,927,936	29,308,180
36.00	Other expenses			
	Office maintenance		2,577,130	2,552,907
	Travelling & conveyance		7,692,543	9,865,682
	Meeting expenses		407,914	553,360
	Entertainment		931,114	744,781
	Car running & maintenance expenses		1,398,865	1,823,790
	Bank charge & excise duty		713,142	1,515,834
	Training expenses		86,040	96,911
	NID Verification Charge		121,765	23,070
	Membership fees & subscriptions		423,800	488,800
	Books & periodicals		24,838	15,319
	Donation and CSR Purpose		-	50,000
	Project expenses and Others		32,157	28,623
	Total		14,409,308	17,759,077
36.1	Motor car/Motor cycle maintenance Expense			
	As per Bangladesh Bank DFIM circular no # 12 dated 18 November 2015, Expenses regarding Motor Car / Motor Cycle maintenance breakup is given below:			
	During the year 2025, total car maintenance and running cost of the Company was TK. 1,398,865 which was TK. 1,823,790 in the Y2024.			
	The total costs includes fuel cost for running vehicles and maintenance costs for full year.			
36.a	Consolidated other expenses			
	IIDFC PLC		14,409,308	17,759,077
	IIDFC Securities Limited		9,844,566	9,997,020
	IIDFC Capital Limited		1,452,161	1,037,411
	Total		25,706,035	28,793,508
37.00	Provision for loans & advances			
	Provision for classified loans & advances		105,111,316	696,353,627
	Provision for unclassified loans & advances		(13,611,857)	(18,993,247)
	Provision for diminution in value of investments		(13,866,658)	70,704,375
	Additional provision		(2,157,544)	(4,129,096)
	Other provision (Note 37.1)		605,209,087	8,647,934
	Total		680,684,345	752,583,593
37.1	Other provision			
	Other provision		-	-
	Equity investment in subsidiaries		590,545,705	-
	Deferred receivable		(214,663)	(542,184)
	Other assets		10,534,225	9,190,118
	Non-Banking asset		4,343,820	-
			605,209,087	8,647,934
37.a	Consolidated provision for loans & advances			
	Provision for classified loans & advances		124,921,044	702,640,445
	Provision for unclassified loans & advances		(15,745,333)	(19,983,632)
	Provision for diminution in value of investments		3,483,327	88,922,957
	Other provision		647,160,216	4,518,838
	Total		759,819,255	776,098,608
38.00	Provision for tax			
	Provisions for current tax has been made on the basis of the profit for the year as adjusted for taxation purposes in accordance with the provisions of The Income Tax Ordinance, 1984 and Income Tax Act 2023 and amendments made thereto. The current tax rate for the Company is 40% on taxable income. Adequate provision has been made for disputed tax against which appeal has been made and decision is pending.			

IIDFC PLC.

Particulars	Notes	Amount in Taka		
		31 December 2025	31 December 2024	
Provision for current tax				
Opening balance		679,157,489	674,157,489	
Add: Provision made during the year		5,000,000	5,000,000	
Less: Settlement during the year		59,798	-	
Closing balance		684,097,691	679,157,489	
Provision for deferred tax				
Opening balance		(1,419,625)	(3,411,274)	
Add: Provision made during the year (Note-38.02)		(378,915)	1,991,649	
Less: Deferred tax no more required-transferred to current tax		-	-	
Less: Settlement during the year		-	-	
Closing balance		(1,798,541)	(1,419,625)	
Deferred tax is provided using the balancesheetmethod for all temporary differences arising between the tax base of assetsand liabilities and their carrying values for financial reporting purposes as per International Accounting Standard (IAS) 12: "Income Taxes".				
Deferred tax expense/(income)				
Change in Deferred Tax Liability		589,876	63,504	
Change in Deferred Tax Asset		(968,791)	1,928,145	
		(378,915)	1,991,649	
Consolidated provision for tax				
Opening balance		972,248,855	947,279,395	
Add: Provision made during the year		25,115,440	23,381,686	
Add: Deferred tax during the year		761,181	1,587,774	
		25,876,621	24,969,460	
Closing balance		998,125,476	972,248,855	
Earnings per share (EPS)				
Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with International Accounting Standard (IAS) 33: "Earnings Per Share".				
Basic Earnings Per Share has been calculated as follows:				
Earnings attributable to ordinary shareholders (Net Profit after Tax)		(1,659,768,554)	(1,587,686,145)	
Number of ordinary shares outstanding during the year		173,777,068	173,777,068	
Basic earnings per share (in BDT)		(9.55)	(9.14)	
No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period				
Consolidated Earnings per share (EPS)				
Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with International Accounting Standard (IAS) 33: "Earnings Per Share".				
Basic earnings per share has been calculated as follows:				
Earnings attributable to ordinary shareholders (Net Profit after Tax)		(1,710,874,839)	(1,588,354,304)	
Number of ordinary shares outstanding during the year		173,777,068	173,777,068	
Basic earnings per share (in BDT)		(9.85)	(9.14)	
No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period				
Related party transactions				
Parties are considered to be related, if one party has the ability to control the other party or exercise significant influence over the other party, in making financial and operational decisions and include associated companies with or without common directors and key management positions. The Company has entered into transactions with other entities in the normal course of business that fall within the definition of related party as per International Accounting Standards- 24 ' Related Party Disclosure'. Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time of comparable transactions with other customers of similar credentials and do not involve more than normal risk.				
Name of the parties	Nature of Loan/Lease	Nature of Transactions	Outstanding Balance 2025 BDT	Outstanding Balance 2024 BDT
AB Bank PLC.	Sponsor Shareholder	STD/SND/CD Account	6,204	3,879
Bank Asia PLC.	Sponsor Shareholder	STD/SND/CD Account	60,253,117	19,425,228
BRAC Bank PLC.	Sponsor Shareholder	Term Deposit	100,000,000	100,000,000
Janata Bank PLC.	Sponsor Shareholder	Term Deposit	200,000,000	200,000,000

IIDFC PLC.

Particulars			Amount in Taka	
			31 December 2025	31 December 2024
Mutual Trust Bank PLC.	Sponsor Shareholder	Overdraft	653,804,892	603,006,411
National Bank PLC	Sponsor Shareholder	Term Loan	49,501,325	60,712,949
National Bank PLC	Sponsor Shareholder	STD/SNS/CD Account	-	-
Sonali Bank PLC.	Sponsor Shareholder	STD/SNS/CD Account	4,503	4,503
Sonali Bank PLC.	Sponsor Shareholder	Call Loan	74,300,000	74,300,000
Sonali Bank PLC.	Sponsor Shareholder	Term Deposit	200,000,000	200,000,000
Southeast Bank PLC.	Sponsor Shareholder	SND/STD/CD Account/FDR	5,157,263	283,844
The City Bank PLC.	Sponsor Shareholder	Borrowings	801,300,000	803,400,000

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Operating Segment Report

Amount in BDT

For the year 2025				
Segment Revenue and profit	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Revenue income				
Net interest income	(803,573,970)	68,054,148	11,267,457	(724,252,365)
Investment income	(19,478,963)	755,859	4,323,278	(14,399,826)
Commission and brokerage	-	69,601,824	2,646,342	72,248,166
Other operating income	2,500,724	427,963	2,065,589	4,994,276
Inter-segment revenue	(25,085,170)	-	-	(25,085,170)
Total Segment Revenue (A)	(845,637,379)	138,839,794	20,302,667	(686,494,919)
Other operating expenses	104,749,550	67,813,753	14,543,757	187,107,060
Major non-cash expenses				
Depreciation	24,076,196	2,167,077	248,542	26,491,815
Provision for future losses	680,684,345	57,529,988	21,604,922	759,819,255
Inter-segment expense adjustment	-	25,085,170	-	25,085,170
Total Segment Expense (B)	809,510,091	152,595,988	36,397,221	998,503,299
Reportable segment profit before tax (A-B)	(1,655,147,470)	(13,756,193)	(16,094,555)	(1,684,998,218)
For the year 2024				
Revenue and profit	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Revenue income				
Net interest income	(681,203,458)	35,348,985	11,640,222	(634,214,251)
Investment income	848,572	7,127,455	8,246,825	16,222,852
Commission and brokerage	-	73,460,665	2,068,884	75,529,549
Other operating income	11,737,356	508,515	2,484,879	14,730,750
Inter-segment rev./interest expense adjustment	(30,450,035)	-	-	(30,450,035)
Total Segment Revenue (A)	(699,067,566)	116,445,620	24,440,810	(558,181,136)
Other operating expenses	103,296,886	56,707,413	10,731,050	170,735,349
Major non-cash expenses				
Depreciation	25,746,452	2,110,218	63,047	27,919,717
Provision for future losses	752,583,593	14,008,197	9,506,818	776,098,608
Inter-segment expense Adjustment	-	30,450,035	-	30,450,035
Total Segment Expense (B)	881,626,930	103,275,863	20,300,915	1,005,203,708
Reportable segment profit before tax (A-B)	(1,580,694,496)	13,169,757	4,139,895	(1,563,384,844)
For the year 2025				
Segment assets and liabilities	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Segment Assets				
Total Assets	11,662,595,222	2,016,396,468	815,774,922	14,494,766,612
Inter-segment assets	(1,743,295,242)	-	-	(1,743,295,242)
Total Segment Assets	9,919,299,980	2,016,396,468	815,774,922	12,751,471,370
Segment Liabilities				
Total liabilities	18,837,799,797	925,653,696	288,064,706	20,051,518,199
Inter-segment liabilities	-	(143,432,272)	-	(143,432,272)
Total Segment Liabilities	18,837,799,797	782,221,424	288,064,706	19,908,085,927
Total Segment Equity	(8,918,499,817)	1,234,175,044	527,710,216	(7,156,614,557)

IIDFC PLC.

Segment assets and liabilities	For the year 2024			
	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Segment Assets				
Total Assets	12,503,309,498	2,401,279,795	831,798,143	15,736,387,436
Inter-segment assets	(1,786,701,852)	-	-	(1,786,701,852)
Total Segment Assets	10,716,607,646	2,401,279,795	831,798,143	13,949,685,584
Segment Liabilities				
Total liabilities	17,907,510,170	1,276,116,723	287,401,945	19,471,028,838
Inter-segment liabilities	-	(186,838,882)	-	(186,838,882)
Total Segment Liabilities	17,907,510,170	1,089,277,841	287,401,945	19,284,189,956
Total Segment Equity	(7,190,902,524)	1,312,001,954	544,396,198	(5,334,504,372)

42.00

Board meetings

During the year total number of Board Meetings was 07, which was held at the following dates:

Serial Number	No. Meeting	Date of Meeting
1	272 BoD Meeting	01-Jan-25
2	273 BoD Meeting	17-Feb-25
3	274 BoD Meeting	20-Mar-25
4	275 BoD Meeting	12-May-25
5	276 BoD Meeting	16-Jul-25
6	277 BoD Meeting	03-Sep-25
7	278 BoD Meeting	26-Oct-25
9	279 BoD Meeting	10-Dec-25

43.00

Disclosure on Audit committee

a. Particulars of audit committee

In pursuance of the directives of Bangladesh Bank vide DFIM circular no 10 dated 18 September 2005 & DFIM circular No. 13 dated 26 October 2011, the Board of Directors in its meeting Constituted an Audit Committee. During the year 2025, the Audit Committee members are:

Name	Status in the board	Status in the committee	Other engagement
1. Mr. Mr. A.K.M. Saif Ullah Kowchar	Director	Chairman	DMD & Head of ICC, City Bank PLC.
2. Mr. Md. Fayaz Alam	Director	Member	DMD, Janata Bank PLC.
3. Mr. Mr. Probir Chandra Das	Director	Member	DMD & CFO, National Life Insurance PLC.

The company Secretary of IIDFC PLC is acting as the secretary of the Committee

b. Meetings held by the committee during the year

Serial Number	No. Meeting	Date of Meeting
1	59th Meeting	21-Jan-25
2	60st Meeting	29-May-25
3	61nd Meeting	09-Jul-25
4	62th Meeting	08-Oct-25
5	63th Meeting	29-Dec-25

c. In the meeting amongst other the committee has discussed the following issues during the year 2025

- The audit committee reviewed the Financial Statements for the year ended 31 December 2024.
- Reviewed and discussed the Management Letter provided by the external auditor M/s. Basu Banerjee Nath & Co. for the year ended 31 December 2024 on the annual audit of Financial Statements of IIDFC PLC.
- Reviewed and discussed the Bangladesh Bank inspection report on Internal Control and Compliance and management's response to thereon.
- Reviewed and discussed the Bangladesh Bank detailed Inspection Report 2023 and management's response to the report.
- Reviewed various reports like stress testing, Basel, Risk Management Paper etc. and all reports provided by ICC Department.
- Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and status of compliance thereof.
- The status of recovery of classified loan and providing the necessary instruction to the management to reduce NPL.
- Reviewed financial performance of IIDFC all over the year and recommended to take necessary action for improving performance of the company.

44.00 Others Disclosure**44.01 Un-acknowledged debt**

The Company has no claim against it which has not been acknowledged as debt at the balance sheet date.

44.02 Employees' information

A total number of 81 employees were employed in IIDFC as of 31 December 2025. All the employees received salary more than BDT 36,000.00 p.a. during the period 2025.

44.03 Written-off of accounts

During the year under review, no loan account was written-off.

44.04 Subsequent events

No subsequent events are occurred after the balance sheet date.

44.05 Directors' responsibility statement

The Board of Directors take the responsibility for the preparation and presentation of these financial statements.

44.06 Date of authorization for issue

The consolidated financial statements as well as separate financial statements were authorized for issue by the Board of Directors on its meeting held on 24 June, 2026

45.00 General Disclosure**45.01** The figures appearing in this financial statements have been rounded off to the nearest integer.**45.02** Last year's figures have been rearranged wherever it is found necessary to conform the current year's presentation.

IIDFC PLC Fixed Assets Schedule As at 31 December 2025

Annexure -1

Fixed assets including premises, furniture & fixtures

Serial	Particulars	COST				DEPRECIATION				Net Book Value as at 31 December 2025
No.		Balance as at 1 Jan 2025	Additions During the Year	Adjustment during the year	Balance as at 31 December 2025	Rate	Balance as at 1 Jan 2025	Charged during the year	Adjustment during the year	Balance as at 31 December 2025
1	Motor Vehicles	11,632,522	-	3,011,000	8,621,522	20%	5,564,904	1,680,705	3,011,000	4,234,609
2	Furniture & Fixtures	23,763,167	933,748	53,250	24,643,665	10%	18,461,428	1,486,502	53,250	19,894,680
3	Office Equipments	48,289,142	2,468,532	371,515	50,386,159	18%	42,709,438	2,737,008	308,250	45,138,196
4	Right-of-use asset	117,885,701	6,230,976	842,153	123,274,523	-	89,954,114	17,530,988	-	107,485,102
As at 31 December 2025		201,570,532	9,633,256	4,277,918	206,925,870		156,689,884	23,435,203	3,372,500	176,752,587
As at 31 December 2024		195,525,252	18,363,210	12,317,930	201,570,532		143,392,509	24,692,702	11,395,327	156,689,884
As at 31 December 2023		187,811,700	17,511,700	11,888,800	196,434,600		132,000,000	23,435,203	11,395,327	161,604,070

Intangible Asset - Computer Software

Serial		COST					AMORTISATION					Amount in BDT
No.	Particulars	Balance as at 1 Jan 2025	Additions During the Year	Adjustment during the year	Balance as at 31 December 2025	Rate	Balance as at 1 Jan 2025	Charged during the year	Adjustment during the year	Balance as at 31 December 2025	Net Book Value as at 31 December 2025	
1	Computer Software	13,473,318	63,000	-	13,536,318	18%	12,548,145	640,993	-	13,189,138	347,180	
As at 31 December 2025		13,473,318	63,000	-	13,536,318		12,548,145	640,993	-	13,189,138	347,180	
As at 31 December 2024		12,948,318	525,000	-	13,473,318		11,494,395	1,053,750	-	12,548,145	925,173	

IIDFC PLC
Consolidated Fixed Assets Schedule
As at 31 December 2025

Annexure - 1.a

Consolidated Fixed assets including premises, furniture & fixtures

Serial No.	Particulars	COST			Rate	DEPRECIATION			Net Book Value as at 31 December 2025
		Balance as at 1 Jan 2025	Additions During the Year	Adjustment during the year		Balance as at 1 Jan 2025	Charged during the year	Adjustment during the year	
1	Motor vehicles	11,632,522	-	3,011,000	20%	5,564,904	1,680,705	3,011,000	4,234,609
2	Furniture & fixtures	40,275,358	4,034,535	6,204,070	10%	31,973,969	2,498,261	5,055,891	29,416,339
3	Office equipments	71,834,323	3,548,939	3,151,243	18%	63,170,319	3,929,746	2,554,632	64,545,433
4	Right-of-use asset	117,885,701	6,230,976	842,153	0%	89,954,114	17,530,988	-	107,485,102
As at 31 December 2025		241,627,904	13,814,450	13,208,466		190,663,306	25,639,700	10,621,523	205,681,478
As at 31 December 2024		237,595,952	18,598,982	14,567,031		176,945,991	26,654,839	12,937,529	190,663,301
									50,964,601

Intangible Asset

Serial No.	Particulars	COST			Rate	AMORTISATION			Net Book Value as at 31 December 2025
		Balance as at 1 Jan 2025	Additions During the Year	Adjustment during the year		Balance as at 1 Jan 2025	Amortized during the year	Adjustment during the year	
1	Computer software's	17,813,062	63,000	-	18%	16,137,218	852,117	-	16,989,335
As at 31 December 2025		17,813,062	63,000	-		16,137,218	852,117	-	886,727
As at 31 December 2024		17,288,062	525,000	-		14,872,340	1,264,878	-	16,137,218
									1,675,844

IIDFC PLC Highlights

Sl.	Particulars	Amount in BDT	
		2025	2024
1	Paid-up capital	1,737,770,680	1,737,770,680
2	Total capital	-7,175,204,574	-5,404,200,669
3	Capital surplus	-8,912,975,254	-7,141,971,349
4	Total assets	11,662,595,222	12,503,309,498
5	Total deposits	4,753,152,330	4,923,986,962
6	Total leases, loans and advances	7,901,975,130	8,712,497,438
7	Total contingent liabilities and commitments	200,562,022	200,562,022
8	Credit deposit ratio	166.25%	176.94%
9	Percentage of classified loans against total loans and assets	76.29%	72.26%
10	Profit after tax and provision	(1,659,768,554)	(1,587,686,145)
11	Amount of classified loan during year	6,028,678,447	6,295,291,999
12	Provisions kept against classified loans	3,676,118,101	3,571,217,558
13	Provision surplus/(Shortage) against classified loans**	-	-
14	Cost of fund	11.24%	11.01%
15	Interest earnings assets	8,250,717,443	9,026,627,999
16	Non- interest earnings assets	3,407,533,959	3,471,693,679
17	Return on investment (ROI)	4.2%	4.3%
18	Return on assets (ROA)	-14.19%	-12.64%
19	Income from investment	348,706,307	382,406,004
20	Earnings per share	(9.55)	(9.14)
21	Net Income per share	(9.55)	(9.14)
22	Price earnings ratio	N/A	N/A

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IIDFC CAPITAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of "IIDFC Capital Limited", which comprise the statement of financial position as at 31 December, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December, 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Bangladesh Securities and Exchanges Commission Act, 1993, the Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

- i) We draw attention to Note 6.00 to the financial statements regarding Margin Loan to Clients amounting to Tk. 583,044,347, of which regular margin loan constitutes Tk. 16,634,387. Under the bailout program for long-outstanding negative equity margin loan accounts, the Company disposed of most of the available securities in these accounts and recovered the outstanding margin loans to the maximum extent possible. As at 31 December, 2025, margin loans amounting to Tk. 573,758,970 under the bailout program were transferred to separate interest-free blocked accounts and are being gradually written off against future profitability.

As per the directives issued by the Bangladesh Securities and Exchange Commission vide circular nos. BSEC/CMRRCD/2009-193/196 dated 18 December, 2016, BSEC/CMRRCD/2009-193/203 dated 28 December, 2017, BSEC/SRI/NE/2020/605 & 606 dated 28 December, 2022, BSEC/SMMID/NE/2023/840 dated 22 October, 2023, BSEC/SMMID/NE/2023/1690 dated 28 March, 2024, BSEC/SMMID/NE/95/105/2024/303 dated 24 April, 2025, BSEC/SMMID/NE/AP/2025/108/629 dated 13 November, 2025, and BSEC/SMMID/NE/AP/2025/108/643 dated 16 November 2025, the required provision against unrealized losses on margin loans is to be maintained by 31 December 2030. Accordingly, during the year 2025, the Company recognized Tk. 19,809,728 as loan loss reserve, representing 5% of total unrealized losses (negative equity) in line with the approved action plan.

However, in complying with the revised bailout action plan, the Company incurred a loss of Tk. 16,685,983 during the year 2025, which appears to be inconsistent with the intended objectives of the bailout circulars. Furthermore, considering the Company's recent financial performance and accumulated losses, significant uncertainty exists regarding the Company's ability to fulfill its commitments under the approved action plan.

ii) Independent Auditors' Report (Continued)

We draw attention to Note 7.00 to the financial statements regarding Investment in Securities, which has been recorded at cost value. However, in accordance with IFRS 9 paragraph 4.1.1, financial assets are required to be measured at fair value. As per the guideline issued by the Dhaka Stock Exchange vide no. DSE/MCD/CLR/AFS/2024/15 dated 03 March 2024 and the directives of the Bangladesh Securities and Exchange Commission vide no. SEC/CMRRCD/2009-193/196 dated 18 December 2016 and SEC/SMMID/NE/AP/2025/108/643 dated 16 November 2025, the required provision against unrealized loss on investment in securities is to be maintained by 31 December 2030.

Accordingly, during the year 2025, the Company recognized a provision amounting to Tk. 1,795,194, representing 5% of the total unrealized loss against the balance of investment in securities as stipulated in the approved action plan. However, due to recognition of such provision, the Company incurred a loss amounting to Tk. 16,685,983. Furthermore, considering the Company's historical financial performance and overall financial condition, significant uncertainty exists regarding the Company's ability to achieve the objectives of the approved Action Plan.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines in necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994, the Bangladesh Securities and Exchanges Commission Act, 1993, the Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 and other applicable laws and regulations require the management to ensure effective internal audit, internal controls and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

Independent Auditors' Report (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In according with the Companies Act, 1994, the Bangladesh Securities and Exchanges Commission Act, 1993, the Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purpose of the Company's business.

Sd/-

Dated: Dhaka
11 June, 2026

KAZI ZAHIR KHAN & CO.

Chartered Accountants

DVC: 2606110915AS47175

Abdulla-Al-Mahmud FCA, FCMA, FCS, LLB, CISA

Engagement Partner (ICAB Enrolment No. 0915)

FRC Enrolment No. CA-001-225

IIDFC Capital Limited

Statement of Financial Position

As at 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Property & Assets			
Non-Current Assets		1,645,735	337,360
Property, Plant & Equipment	3.00	1,575,814	287,214
Intangible Asset	4.00	10	10
Deferred Tax Assets	5.00	69,911	50,136
Current Assets		814,129,187	831,460,784
Margin Loans to Clients	6.00	590,693,357	583,044,347
Investment in Securities	7.00	115,221,137	118,648,477
Advance Income Tax	8.00	52,681,540	52,003,177
Advances, Deposits & Pre-payments	9.00	30,453,650	30,504,442
Accounts Receivables	10.00	1,946,868	14,497,520
Cash & Cash Equivalents	11.00	23,132,634	32,762,821
Total Property & Assets		815,774,922	831,798,144
Shareholders' Equity & Liabilities			
Shareholders' Equity:		527,710,216	544,396,199
Share Capital	12.00	600,000,000	600,000,000
Retained Earnings	13.00	(72,756,057)	(56,070,074)
Capital Reserve	14.00	466,273	466,273
Non Current Liabilities:		13,596,845	25,425,708
Term Loan	15.00	13,596,845	25,425,708
Current Liabilities:		274,467,861	261,976,237
Portfolio Investors' Fund	16.00	6,417,419	15,666,074
Investment Diminution Reserve	17.00	15,893,071	14,097,877
Loan Loss Reserve	18.00	189,126,864	169,317,136
Provision against Margin Loan	19.00	6,259,087	6,259,087
Provision for Income Tax	20.00	55,534,071	54,922,866
Liabilities for Expenses	21.00	1,237,349	1,713,197
Total Shareholders' Equity & Liabilities		815,774,922	831,798,144
Net Asset Value (NAV) per Share	31.00	8.80	9.07

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

This is the Statement of Financial Position referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS47175
Abdulla-Al-Mahmud FCA, FCMA, FCS, LLB, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Capital Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Interest Income	22.00	12,013,389	12,483,866
Add: Income from Investments	23.00	4,323,278	8,246,824
Add: Income from Merchant Banking Services	24.00	2,646,342	2,068,884
Gross Profit/(Loss)		18,983,009	22,799,574
Less: General & Administrative Expenses	25.00	(14,730,160)	(10,691,851)
Gross Profit/(Loss) from Operation		4,252,849	12,107,723
Add: Other Income	26.00	2,065,589	2,484,879
Less: Interest Expenses	27.00	(745,932)	(843,644)
Less: Financial Expenses	28.00	(62,138)	(102,246)
Profit/(Loss) before Tax & Provision		5,510,368	13,646,712
Less: Loan Loss Reserve	18.00	(19,809,728)	(6,286,818)
Less: Diminution in Value of Investments	17.00	(1,795,194)	(3,220,000)
Net Profit/(Loss) before Tax		(16,094,554)	4,139,894
Income Tax Expenses		(591,429)	(1,117,911)
Less: Current Tax	29.00	(611,205)	(1,112,444)
Less: Deferred Tax		19,776	(5,467)
Net Profit/(Loss) after Tax		(16,685,983)	3,021,983
Add: Adjustment for Fair Value Gain/(Loss) on Investment in Share		-	-
Total Comprehensive Income/(Loss) for the year		(16,685,983)	3,021,983
Earnings per Share (EPS)	30.00	(0.28)	0.05

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS47175
Abdulla-Al-Mahmud FCA, FCMA, FCS, LLB, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Capital Limited

Statement of Changes in Equity For the year ended 31 December, 2025

Particulars	Share Capital	Capital Reserve	Retained Earnings	Total Taka
Opening Balance as at 01-01-2025	600,000,000	466,273	(56,070,074)	544,396,199
Add: Net Profit/(Loss) after Tax	-	-	(16,685,983)	(16,685,983)
Balance as at 31-12-2025	600,000,000	466,273	(72,756,057)	527,710,216

Particulars	Share Capital	Capital Reserve	Retained Earnings	Total Taka
Opening Balance as at 01-01-2024	600,000,000	164,075	(58,789,859)	541,374,216
Add: Net Profit/(Loss) after Tax	-	-	3,021,983	3,021,983
Add: Transferred to Capital Reserve	-	302,198	(302,198)	-
Balance as at 31-12-2024	600,000,000	466,273	(56,070,074)	544,396,199

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS47175
Abdulla-Al-Mahmud FCA, FCMA, FCS, LLB, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Capital Limited

Statement of Cash Flows

For the year ended 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
A. Cash Flows from Operating Activities:			
Profit before tax		(16,094,554)	4,139,894
Adjustment for Non-Cash Item:			
Depreciation		248,542	63,047
		(15,846,012)	4,202,941
Operating Profit before Working Capital:			
Increase/(Decrease) in Current Assets:			
Advances, Deposits and Pre-payments		50,792	944,014
Account Receivables		12,550,652	(14,497,520)
Increase/(Decrease) in Current Liabilities:			
Portfolio Investors' Fund			(480,758)
Payable to Stock Broker		(9,248,655)	(1,750,203)
Accrued Expenses		(475,848)	510,616
Loan Loss Reserve		19,809,728	3,977,874
Cash Generated from/(Used in) Operating Activities		6,840,657	(7,093,016)
Income Tax		(678,363)	(533,387)
Not Cash from/(Used in) Operating Activities (A)		6,162,294	(7,626,403)
B. Cash Flows from Investing Activities:			
Investment in Securities		3,427,340	(37,044,558)
Investment Diminution Reserve		1,795,194	3,220,000
Margin Loans to Clients		(7,649,010)	11,801,160
Purchase of Property, Plant and Equipment		(1,537,142)	(27,625)
Net Cash from/Used in) Investing Activities (B)		(3,963,618)	(22,051,023)
C. Cash Flows from Financing Activities:			
Receipt/(Repayment) of Trem Loan		(11,828,863)	2,629,644
Net Cash from/Used in) Financing Activities (B)		(11,828,863)	2,629,644
D. Net Cash Increased/(Decreased) in Cash & Cash Equivalents (A+B+C)		(9,630,187)	(27,047,782)
E. Cash and Cash Equivalents at the Beginning of the year (D+E)		32,762,821	59,810,603
E. Cash and Cash Equivalents at the End of the year		23,132,634	32,762,821
Cash and Bank Balances have been arrived at as under:			
Cash in Hand		20,301	11,117
Cash at Bank		23,112,333	32,751,704
Total		23,132,634	32,762,821
Net Operating Cash Flows per Share (NOCFPS)	32.00	0.10	(0.13)

The Accounting policies and explanatory notes form an integral part of the financial statements

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

This is the Statement of Financial Position referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS47175
Abdulla-Al-Mahmud FCA, FCMA, FCS, LLB, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Capital Limited

Notes to the Financial Statements

For the year ended 31 December, 2025

1.00 Company and its Activities:

1.01 The Company:

IIDFC Capital Limited (the Company) is a public Company, limited by shares. The Company was incorporated in Bangladesh vide incorporation no. C-H.C 2097 dated 30 November, 1995 in the name of South Asia Capital Limited which was acquired by Industrial and Infrastructure Development Finance Company Limited (IIDFC), a non-banking financial institution dated 10 December, 2009 and renamed as IIDFC Capital Limited. The Company obtained license from Bangladesh Securities and Exchange Commission (BSEC) vide its registration no. MB 41/2010 dated 26 April, 2010 to carry out its merchant banking operations.

1.02 Nature of Business:

The principal activities of the Company for which it was established include the business of issue management, portfolio management, corporate counselling, investment counselling, capital structuring and other services as mentioned in the Memorandum and Articles of Association of the Company.

1.03 Address of the Registered & Corporate Office:

The registered and corporate office of the Company is situated in Metropolitan Chamber Building (2nd Floor, East North Side), 122-124 Motijheel C/A, Dhaka-1000.

2.00 Significant Accounting Policies:

2.01 Basis of Preparation & Presentation of the Financial Statements:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, IAS and IFRS. The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1, "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to IAS-7, "Statement of Cash Flows".

2.02 Accounting Convention & Assumption:

The financial statements are prepared under the historical cost convention.

2.03 Principal Accounting Policies:

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the Framework for preparation and presentation of the financial statements. Financial statements have been prepared and presented in compliance with IAS-1, "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS-1.

2.03.1 Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and IASs. On the basis of these regulations, International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) were applied with the applicable standards at the Statement of Financial Position date.

2.03.2 Other Regulatory Compliance:

As required, Western Securities Investment Management Limited also complies with the applicable provisions of the following major laws/statutes:

- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- The Income Tax Act, 2023;
- The Finance Ordinance, 2025;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.03.3 Critical Accounting Estimates, Assumptions & Judgments:

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.04 Going Concern:

The Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of existing business.

2.05 Components of the Financial Statements:

According to the International Accounting Standards (IASs)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- Statement of Financial Position as at 31 December, 2025;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December, 2025;
- Statement of Changes in Equity for the year ended 31 December, 2025;
- Statement of Cash Flows for the year ended 31 December, 2025; and
- Accounting Policies and Explanatory Notes.

2.06 Application of Standards:

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in compliance with other relevant local laws including Securities and Exchange Rules, 1987. The presentation of the interim financial statements and the accounting policies used in preparing them are consistent with those of the Annual Financial Statements. The preparation of the interim Financial Statements requires management to make estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. Among The following IASs and IFRSs are applicable for the financial statements for the year under review:

Sl. No.	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	IAS-1	Applied
2	Inventories	IAS-2	Not Applicable
3	Statement of Cash Flows	IAS-7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
5	Events after the Reporting Period	IAS-10	Applied
6	Income Taxes	IAS-12	Applied
7	Property, Plant and Equipment	IAS-16	Applied
8	Employee Benefits	IAS-19	Not Applicable
9	The Effects of Changes in Foreign Exchange Rates	IAS-21	Not Applicable
10	Borrowing Costs	IAS-23	Not Applicable
11	Related Party Disclosures	IAS-24	Applied
12	Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
13	Investment in Associates and Joint Ventures	IAS-28	Not Applicable
14	Financial Reporting in Hyperinflationary Economics	IAS-29	Not Applicable
15	Earnings Per Share	IAS-33	Applied
16	Interim Financial Reporting	IAS-34	Applied
17	Impairment of Assets	IAS-36	Applied
18	Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
19	Intangible Assets	IAS-38	Applied
20	Financial Instruments: Recognition and Measurement	IAS-39	Applied
21	Investment Property	IAS-40	Not Applicable
22	Agriculture	IAS-41	Not Applicable

Sl. No.	Name of IFRSs	IFRSs No.	Status
1	First time adoption of International Financial Reporting Standards	IFRS 1	Not Applicable
2	Shares based Payment	IFRS 2	Not Applicable
3	Business Combinations	IFRS 3	Not Applicable
4	Insurance Contract	IFRS 4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
7	Financial Instruments: Disclosure	IFRS 7	Applied
8	Operating Segments	IFRS 8	Not Applicable
9	Financial Instruments	IFRS 9	Applied
10	Consolidated Financial Statements	IFRS 10	Not Applicable
Sl. No.	Name of IFRSs	IFRSs No.	Status
11	Joint Arrangement	IFRS 11	Not Applicable
12	Disclosure of Interest in other entities	IFRS 12	Not Applicable
13	Fair Value Measurement	IFRS 13	Applied
14	Regulatory deferral accounts	IFRS 14	Not Applicable
15	Revenue from Contracts with Customers	IFRS 15	Applied
16	Leases	IFRS 16	Not Applicable
17	Insurance Contract	IFRS 17	Not Applicable

2.07 Cash & Cash Equivalents:

Cash & cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

2.08 Receivables:

Receivables are carried at original invoice amount. This is considered good for collection and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for as bad debt in the current year accounts.

2.09 Creditors & Accrued Expenses:

2.09.1 Trade & Other Payables:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

2.09.2 Provision:

The preparation of financial statements are in conformity with International Accounting Standards, IAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

2.10 Revenue Recognition:

Revenue, which comprises of brokerage commission and service charges is recognized in accordance with IFRS-15 Revenue from Contract with Customers. The Company's trading income is subject to deduction of tax at source which is treated as final discharge from tax liability under Income Tax Act, 2023.

2.11 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with International Accounting Standard IAS-7, "Statement of Cash Flows" and the cash flows from the operating activities have been presented under indirect method.

2.12 Statement of Changes in Equity:

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

2.13 Property, Plant & Equipment:

a. Recognition and Measurement:

In compliance with IAS-16, (Property, Plant & Equipment) items of Property, Plant & Equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

b. Capitalization of Borrowing Cost:

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS-23, Borrowing Cost, allowed alternative treatment.

c. Subsequent Costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day to day maintaining cost on PPE are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

d. Depreciation:

Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Each item of PPE is depreciated from the date in which the asset comes into use or capitalized. In case of disposals, no depreciation is charged in the month of disposal.

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate (%)
Furniture & Fixtures	10%
Decoration & Renovation	10%
Office Equipment	18%
Software	18%

e. Retirements and Disposals:

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

2.14 Intangible Assets:

Intangible assets includes IT software which is used to maintain Company's Back Office and accounts. It also includes CDBL, Share Management Software and Website.

a. Recognition and Measurement:

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. It is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the assets can be measured reliably as required by IAS-38: Intangible assets. The cost of the Intangible assets comprises its purchase price and any costs directly attributable to the assets.

b. Subsequent Costs:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the Statement of Profit or Loss and Other Comprehensive Income when incurred.

c. Amortization:

Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income on diminishing balance method based on written down value at which the asset is carried in the books of account. Amortization continues to be provided until such time as the written down value is reduced to Taka one.

2.15 Impairment of Assets:

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

2.16 Income Tax:

2.16.1 Current Tax:

Provision for taxation has been made as per rates prescribed in the Finance Act and the Income Tax Act, 2023 on profit made by the company. As per IAS-12 Income Tax provision has been made during the year as the Company earned taxable income.

2.16.2 Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Western Securities Investment Management Limited recognized deferred tax liabilities for all taxable temporary differences.

2.17 Contingent Liabilities & Assets:

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with IAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.18 Related Party Disclosures:

As per International Accounting Standard (IAS-24) the parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is with its related parties.

2.19 Leases:

The standard replaces IAS-17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS-16 will be higher when compared to lease expenses under IAS-17. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

2.20 Earnings per Share:

The Company calculates Earnings per Share (EPS) in accordance with IAS-33, "Earnings per Share", which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income, and the computation of EPS is stated in the note.

2.20.1 Basic Earnings:

This represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders.

2.20.2 Basic Earnings per Share:

This has been calculated by dividing the basic earnings by weighted average number of ordinary shares outstanding during the period.

2.21 Reporting Currencies and Level of Precision:

The figures in the financial statements represents Bangladeshi Taka (Tk.) currency and rounded off to the nearest Taka except where indicates otherwise.

2.22 General:

Figures of previous year have been rearranged wherever considered necessary to confirm presentation of the current year.

2.23 Date of Authorozation:

The Financial Statements were Approved and Authorized by the Board of Directors on 01 May, 2026.

2.24 Comparative Figure :

Comparative information has been disclosed in respect of the year ended 31 December, 2025 for all numerical information in the financial statements and also the narrative descriptive information where it is relevant for understanding of the current period's financial statements. Comparatives may be restated where considered necessary for comparison purpose.

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
3.00	Property, Plant & Equipment:		
	This is made-up as follows:		
	A. Cost:		
	Opening Balance	7,394,821	6,117,196
	Add: Addition during the year	1,537,142	27,625
	Less: Adjustment during the year	-	1,250,000
	Closing Balance of Cost	8,931,963	7,394,821
	B. Depreciation:		
	Opening Balance	7,107,607	5,794,560
	Add: Charged during the year	248,542	63,047
	Less: Adjustment during the year	-	1,250,000
	Closing Balance of Depreciation	7,356,149	7,107,607
	Written Down Value (WDV) (A-B)	1,575,814	287,214
	Details Schedule of Property, Plant & Equipment are given in (Annexure-A) with the report.		
4.00	Intangible Asset:		
	This is made up as follows:		
	A. Cost:		
	Opening Balance	1,500,000	1,500,000
	Add: Addition during the year	-	-
	Less: Adjustment during the year	-	-
	Closing Balance of Cost	1,500,000	1,500,000
	B, Accumulated Amortization:		
	Opening Balance	1,499,990	1,499,990
	Add: Addition during the year	-	-
	Less: Adjustment during the year	-	-
	Closing Balance of Amortization	1,499,990	1,499,990
	Written Down Value (WDV) (A-B)	10	10
	Details Schedule of Intangible Assets are given in (Annexure-B) with the report.		
5.00	Deferred Tax Assets:		
	This is made-up as follows:		
	Opening Balance	50,136	55,603
	Add: Addition/(Adjusted) during the year	19,775	(5,467)
	Closing Balance	69,911	50,136
	Property Plant & Equipment (WDV tax Base- WDV accounts Base)	186,429	133,694
	Applicable Tax Rate	37.50%	37.50%
	Deferred Tax Assets	69,911	50,135
	(Addition/())Adjustment during the year	19,775	(5,467)
6.00	Margin Loans to Clients:		
	This balance represents:		
	Regular Margin Loan (Note 6.01)	16,934,387	17,532,643
	Interest Free Blocked Account Margin Loan (Note 6.02)	573,758,970	565,511,704
	Total	590,693,357	583,044,347
6.01	Regular Margin Loan:		
	This represent loan facilities extended to the customers for trading of listed securities in the secondary capital market as per Margin Rules, 1999.		

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024

6.02 Interest Free Blocked Account Margin Loan:

Under the bailout program for long outstanding negative equity margin loan accounts, the company sold out most of the securities available in these accounts and recovered the outstanding margin loan as much as possible. Up to 31 December 2025, margin loan of Tk. 573,758,970 under this program margin loan was transferred to a separate interest-free blocked account and written-off gradually every year against probability.

7.00 Investment in Securities:

This balance represents:

Investment in Securities

Total

115,221,137

118,648,477

115,221,137

118,648,477

Listed securities breakup for the year ended 30 June, 2025:

Particular's	Cost price	Market Price	Unrealised Gain/(Loss)
G-SEC	1,009,974	1,000,000	(9,974)
Ceramic	5,057,487	2,880,000	(2,177,487)
Engineering	13,217,690	9,051,074	(4,166,616)
Travel &	3,963,774	2,330,200	(1,633,574)
Food and	3,335,672	769,200	(2,566,472)
Fuel and	36,755,732	11,194,385	(25,561,348)
Pharmaceuticals and chemicals	10,118,168	2,970,160	(7,148,008)
IT sector	5,480,572	1,475,577	(4,004,994)
Textile	36,282,068	29,146,279	(7,135,788)
Total	115,221,137	60,816,876	(54,404,262)

Listed securities breakup for the year ended 30 June, 2024:

Particular's	Cost price	Market Price	Unrealised Gain/(Loss)
Banks	1,950,467	1,845,000	(105,467)
Mutual Fund	2,047,140	1,600,000	(447,140)
Services & Real Estate	1,006,886	610,880	(396,006)
Tannery Industries	4,353,485	3,126,436	(1,227,049)
G-SEC (T.Bond)	1,009,974	1,000,000	(9,974)
Ceramic industry	3,283,867	726,000	(2,557,867)
Engineering	9,904,325	3,841,571	(6,062,754)
Travel & Leisure	3,963,774	2,696,200	(1,267,574)
Food and allied	21,941,909	21,388,287	(553,622)
Fuel and power	36,755,733	11,934,158	(24,821,575)
Insurance	8,343,533	6,751,024	(1,592,510)
Pharmaceuticals and chemicals	8,704,637	2,845,660	(5,858,977)
Telecommunications	3,182,297	2,757,399	(424,898)
IT sector	5,632,735	1,776,535	(3,856,200)
Textile	6,567,715	5,747,580	(820,135)
Total	118,648,477	68,646,728	(50,001,749)

8.00 Advance Income Tax:

This balance represents:

Advance Tax Paid

Advance Income Tax (AIT)

Income Tax withheld from Dividend Income

Total

46,551,637

46,551,637

2,037,676

1,694,353

4,092,227

3,757,187

52,681,540

52,003,177

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka																																					
		31.12.2025	31.12.2024																																				
9.00	Advances, Deposits & Pre-payments:																																						
	This balance represents:																																						
	Security Deposit with CDBL	200,000	200,000																																				
	License Fees	30,196,209	30,196,209																																				
	Advance for IPO Subscription	15	15																																				
	Others	57,426	108,218																																				
	Total	30,453,650	30,504,442																																				
10.00	Accounts Receivables:																																						
	This balance represents:																																						
	Receivable from Brokerage Houses (Note-10.01)	1,946,868	7,027,497																																				
	Cheque Collection-in-Transit	-	7,470,023																																				
	Total	1,946,868	14,497,520																																				
10.01	Receivable from brokerage houses:																																						
	IIDFC Securities Ltd.	4,610	5,762,818																																				
	United Financial Trading Co. Ltd.	1,942,258	1,264,679																																				
	Total	1,946,868	7,027,497																																				
11.00	Cash & Cash Equivalents:																																						
	This consists as follows:																																						
	Cash in Hand	20,301	11,117																																				
	Cash at Bank (note 11.01)	17,612,333	21,151,704																																				
	Short Term FDR	5,500,000	11,600,000																																				
	Total	23,132,634	32,762,821																																				
11.01	Cash at Bank:																																						
	Southeast Bank PLC., SND A/C No. 003113100000728	1,057,850	1,421,238																																				
	Southeast Bank PLC., SND A/C No. 003113100000732	-	-																																				
	ONE Bank PLC., SND A/C No. 0015025234024	7,725,918	9,734,509																																				
	ONE Bank PLC., SND A/C No. 0015035234008	6,424,436	220,327																																				
	ONE Bank PLC., SND A/C No. 0013000001153	12,349	13,256																																				
	ONE Bank PLC., SND A/C No. 0013000002167	58,470	2,017,470																																				
	ONE Bank PLC., CD A/C No. 0011020007368	46,873	53,067																																				
	ONE Bank PLC., SND A/C No. 0013000002178	2,286,437	7,691,837																																				
	Total	17,612,333	21,151,704																																				
12.00	Share Capital:																																						
	This balance represents:																																						
	Authorized Capital																																						
	100,000,000 Ordinary Shares @ Tk. 10 each	1,000,000,000	1,000,000,000																																				
	Issued, Subscribed and Paid-up Capital																																						
	60,000,000 Ordinary Shares @ Tk. 10 each fully Paid-up	600,000,000	600,000,000																																				
	This is made-up as follows:																																						
	<table><tr> <th>Name of Shareholders</th><th>No. of Shares</th><th>Amount</th><th>Amount</th></tr> <tr> <td>IIDFC Limited</td><td>59,998,800</td><td>599,988,000</td><td>599,988,000</td></tr> <tr> <td>Mr. Md. Matiul Islam</td><td>1,150</td><td>11,500</td><td>11,500</td></tr> <tr> <td>Mr. S.A. Chowdhury</td><td>10</td><td>100</td><td>100</td></tr> <tr> <td>Mr. Tariqul Islam Chowdhury</td><td>10</td><td>100</td><td>100</td></tr> <tr> <td>Mr. Md. Khaliur Rahman</td><td>10</td><td>100</td><td>100</td></tr> <tr> <td>Mr. Lingkhon Mondal</td><td>10</td><td>100</td><td>100</td></tr> <tr> <td>Ms. Kazi Dilruba Akter</td><td>10</td><td>100</td><td>100</td></tr> <tr> <td>Total</td><td>60,000,000</td><td>600,000,000</td><td>600,000,000</td></tr></table>	Name of Shareholders	No. of Shares	Amount	Amount	IIDFC Limited	59,998,800	599,988,000	599,988,000	Mr. Md. Matiul Islam	1,150	11,500	11,500	Mr. S.A. Chowdhury	10	100	100	Mr. Tariqul Islam Chowdhury	10	100	100	Mr. Md. Khaliur Rahman	10	100	100	Mr. Lingkhon Mondal	10	100	100	Ms. Kazi Dilruba Akter	10	100	100	Total	60,000,000	600,000,000	600,000,000		
Name of Shareholders	No. of Shares	Amount	Amount																																				
IIDFC Limited	59,998,800	599,988,000	599,988,000																																				
Mr. Md. Matiul Islam	1,150	11,500	11,500																																				
Mr. S.A. Chowdhury	10	100	100																																				
Mr. Tariqul Islam Chowdhury	10	100	100																																				
Mr. Md. Khaliur Rahman	10	100	100																																				
Mr. Lingkhon Mondal	10	100	100																																				
Ms. Kazi Dilruba Akter	10	100	100																																				
Total	60,000,000	600,000,000	600,000,000																																				
13.00	Retained Earnings:																																						
	This is made-up as follows:																																						
	Opening Balance	(56,070,074)	(58,789,859)																																				
	Add: Net Profit/(Loss) after Tax during the year	(16,685,983)	3,021,983																																				
	Less: Transfer to Capital Reserve	-	(302,198)																																				
	Closing Balance	(72,756,057)	(56,070,074)																																				

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
14.00 Capital Reserve:			
	This is made up as follows:		
	Opening Balance	466,273	164,075
	Add: Addition during the year	-	302,198
		466,273	466,273
	Less: Adjustment during the year	-	-
	Closing Balance	466,273	466,273
	Capital reserve has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019. As per that rules, each registered entity shall maintain a mandatory provision which is at least 10% of profit after tax of previous year as capital reserve and the full amount of such reserve shall be accounted for in computing total capital.		
15.00 Term Loan:			
	This balance represents:		
	Loan from Investment Corporation of Bangladesh (Note-15.01)	13,596,845	25,425,708
	Total	13,596,845	25,425,708
15.01 Loan from Investment Corporation of Bangladesh:			
	Opening Balance	25,425,708	22,796,064
	Add: Addition during the year	-	20,000,000
		25,425,708	42,796,064
	Less: Adjustment during the year	(11,828,863)	(17,370,356)
	Closing Balance	13,596,845	25,425,708
16.00 Portfolio Investors' Fund:			
	This balance represents:		
	Self-margin Discretionary Account (SMDA)	5,496,769	6,719,627
	Non-margin Discretionary Account (NMDA)	916,299	949,171
	Receivable - Trading Account	-	7,992,125
	Safe Investment Account (SI)	4,351	5,150
	Total	6,417,419	15,666,074
17.00 Investment Diminution Reserve:			
	This is made-up as follows:		
	Opening Balance	14,097,877	10,877,877
	Add: Addition during the year	1,795,194	3,220,000
	Less: Adjustment during the year	-	-
	Closing Balance	15,893,071	14,097,877
	Pursuant to the approval of the Bangladesh Securities and Exchange Commission vide letter no. BSEC/SMMID/NE/AP/2025/108/650. , IIDFC Capital Limited has been allowed to maintain provision against company owns investment over the period from 2025 to 2030.The total provision required under the approved plan is BDT 35,903,972. In accordance with the schedule, BDT 1,795,194 has been recognized as provision for the year ended 2025.		
18.00 Loan Loss Reserve:			
	This is made-up as follows:		
	Opening Balance	169,317,136	165,339,243
	Add: Addition during the year	19,809,728	6,286,818
	Less: Adjustment during the year	-	(2,308,925)
	Closing Balance	189,126,864	169,317,136
	Pursuant to the approval of the Bangladesh Securities and Exchange Commission vide letter no. BSEC/SMMID/NE/AP/2025/108/650. , IIDFC Capital Limited has been allowed to maintain provision against negative equity over the period from 2025 to 2030.The total provision required under the approved plan is BDT 396,194,569. In accordance with the schedule, BDT 19,809,728 has been recognized as provision for the year ended 2025.		
19.00 Provision against Margin Loan:			
	This is made-up as follows:		
	Opening Balance	6,259,087	6,259,087
	Add: Transferred from Loan Loss Reserve during the year	-	-
	Closing Balance	6,259,087	6,259,087

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
	Provision for margin loan has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019. where it is stated that, each registered entity those is providing margin financing shall maintain a mandatory provision @ 1% of all outstanding margin exposures.		
20.00	Provision for Income Tax:		
	This is made-up as follows:		
	Opening Balance	54,922,866	53,810,422
	Add: Provision during the year	611,205	1,112,444
		55,534,071	54,922,866
	Less: Adjustment during the year	-	-
	Closing Balance	55,534,071	54,922,866
21.00	Liabilities for Expenses:		
	This balance represents:		
	Liability for Gratuity Fund	916,365	518,487
	ISL	2,150	1,250
	Others	38,633	88,312
	Audit Fees	115,000	143,750
	Interest Payable	135,968	-
	CHQ Issued in Transit	-	887,587
	Withholding TDS	10,777	55,762
	Withholding VDS	18,456	18,049
	Total	1,237,349	1,713,197
22.00	Interest income:		
	This balance represents:		
	Interest on Margin Loan	12,013,389	12,483,866
	Total	12,013,389	12,483,866
23.00	Income from Investments:		
	This balance represents:		
	Gain on Sale of Securities	2,534,501	7,169,207
	Dividend Income	1,788,777	1,077,618
	Total	4,323,278	8,246,824
24.00	Income from Merchant Banking Services:		
	This balance represents:		
	Security Trading Services	2,578,967	1,712,934
	Issue and Corporate Advisory Services	50,000	-
	BO Account Maintenance Services	14,100	43,400
	Underwriting Commission Services	-	300,000
	Portfolio Management Services	3,275	12,550
	Total	2,646,342	2,068,884
25.00	Administrative and Other Expenses:		
	This balance represents:		
	Salaries & Allowances (Note - 25.01)	10,464,510	7,258,381
	Rent, Insurance & Utilities (Note-25.02)	1,564,227	1,345,334
	Postage, Stamps & Telecommunications (Note-25.03)	254,961	249,179
	Stationery, Printing & Advertisement (Note-25.04)	190,808	369,835
	Professional Fees (Note-25.05)	115,000	143,750
	Repair & Maintenances (Note-25.06)	26,540	75,535
	Registration and Government Fees	402,512	493,733
	Professional and Legal Expenses	78,750	80,626
	Car Running and Maintenance Expenses	-	25,350
	Directors' Fees	396,800	171,000
	Other Expenses	148,339	174,700
	Office Maintenances	204,500	-

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
	Entertainment	162,429	121,790
	Fees and Commission Expenses	90,999	31,375
	Travelling and Conveyance	28,890	16,070
	Training, Seminar & Meeting Expenses	4,000	-
	Uniform and Liveries	22,200	14,800
	Office Consumable Expenses	43,105	13,068
	Corporate Day out Expenses	192,557	38,278
	Meeting Expenses	62,832	-
	Business Development Expenses	21,660	-
	CDBL and Other Fees	6,000	6,000
	Depreciation	248,541	63,047
	Total	14,730,160	10,691,851
25.01	Salaries & Allowances:		
	This balance represents:		
	Basic Salary	4,557,972	2,800,312
	Allowances	3,699,443	2,104,337
	Festival Bonus	720,651	385,618
	Deputation Staff Salary	-	856,865
	Employers' Contribution to Provident Fund	438,866	246,478
	Retirement Benefits and Gratuity	397,878	246,560
	Leave Fare Assistance	353,075	277,540
	Group Insurance	161,458	215,553
	Cleaning Staff Salary	112,500	112,500
	Intern Allowances	22,667	-
	Earned Leave Encashment	-	12,618
	Total	10,464,510	7,258,381
25.02	Rent, Insurance & Utilities:		
	This balance represents:		
	Rent, Rates and Taxes	1,384,905	1,069,200
	Electricity Bill	143,927	268,802
	Water, Gas and Other Bills	35,395	7,332
	Total	1,564,227	1,345,334
25.03	Postage, Stamp & Telecommunications:		
	This balance represents:		
	Phone and Internet	231,550	201,947
	Postage and Courier	20,255	44,228
	Newspapers, Books and Magazines etc.	3,156	3,004
	Total	254,961	249,179
25.04	Stationery, Printing & Advertisement:		
	This balance represents:		
	Printing and Stationery	184,613	306,210
	Advertisement Expenses	6,195	63,625
	Total	190,808	369,835
25.05	Professional Fees:		
	This balance represents:		
	Audit Fees	115,000	143,750
	Total	115,000	143,750
25.06	Repair & Maintenances:		
	This balance represents:		
	Office Equipment	26,540	75,535
	Total	26,540	75,535

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
26.00	Other Income:		
	This balance represents:		
	Interest Income from Bank Deposit	499,606	956,439
	Interest Income from FDR	1,276,781	328,440
	Others	289,202	1,200,000
	Total	2,065,589	2,484,879
27.00	Interest Expenses:		
	This balance represents:		
	Term Loan	745,932	843,644
	Total	745,932	843,644
28.00	Financial Expenses:		
	This balance represents:		
	Bank Charges and Excise Duty	62,138	102,246
	Total	62,138	102,246
29.00	Income Tax Expenses:		
	This balance represents:		
	Current Tax (Note-29.01)	611,205	932,445
	Total	611,205	932,445
29.01	Current Tax:		
	Calculation of Current Tax:		
	Capital Gain/(Loss) 10%	253,450	716,921
	Dividend Income 20%	357,755	215,524
	Total	611,205	932,445
30.00	Earnings per Share (EPS):		
	The Computation of EPS is given below:		
	Earning Attributable to the Shareholders (Net Profit after Tax)	(16,685,983)	3,021,983
	Number of Shares Outstanding during the year	60,000,000	60,000,000
	Earnings per Share (EPS) (Tk. 10 Per Share)	(0.28)	0.05
31.00	Net Asset Value (NAV) per Share:		
	The Computation of NAV is given below:		
	Net Assets	527,710,216	544,396,199
	Number of Shares Outstanding during the year	60,000,000	60,000,000
	Net Asset Value (NAV) per Share (Tk. 10 Per Share)	8.80	9.07
32.00	Net Operating Cash Flows per Share (NOCFPS):		
	The Computation of NOCFPS is given below:		
	Net Cash Generated/(Used) from Operating Activities	6,162,294	(7,524,156)
	Weighted Average Number of Shares	60,000,000	60,000,000
	Net Operating Cash Flows per Share (NOCFPS) (Tk. 10 Per Share)	0.10	(0.13)
33.00	Audit Fees:		
	Auditors remuneration comprises annual audit fees only.		
34.00	Un-availed Credit Facilities:		
	There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date.		
35.00	Internal Control:		
	The following steps have been taken for implementation of an effective internal control procedure of the		
	a. A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control;		
	b. Regular review of internal audit reports with a view to implement the suggestion of internal auditors in respect of internal control technique;		
	c. To establish an effective management system that includes planning, organizing and supervising culture in the		

IIDFC Capital Limited

Note No.	Particulars	Amount in Taka	
		31.12.2025	31.12.2024

36.00 Events after Reporting Period:

There is no significant events after reporting period.

37.00 Disclosure on Related Party Transaction as per IAS-24 "Related Party Disclosure":

Particulars	Relationship	Transactions	2024	Increase/ Decrease	2025
IIDFC Limited	Parent Company	Accounts Receivables	5,761,002	5,759,459	1,543

38.00 Capital Adequacy Ratio (CAR):

Computation of capital adequacy ratio (CAR) as per [rule-4 (2)] of the Bangladesh Securities and Exchange Commission

$$\text{Capital Adequacy Ratio (CAR)} = \frac{\text{Total Capital (TC)*}}{\text{Total Risk Requirement (TRR)*}} \times 100$$

Maintained a mandatory Capital Adequacy Ratio Minimum 120% or 1.20 times as per [rule-4 (3) (a)] of the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy), Rules, 2019

$$\text{Capital Adequacy Ratio (CAR) of IIDFCSL} = \frac{676,242,940}{64,267,193} \times 100$$

=1052.27% 10.52 Times

*Details calculation of Total Capital (TC) & Total Risk Requirement (TRR) are in Table-1 & 2;

Where,

a) Total Capital (TC) = Core Capital + Supplementary Capital;

b) Total Risk Requirement (TRR) = Operation Risk Requirement (ORR) + Position Risk Requirement (PRR) +

Table-1

Area of Risk	Value of the Risk Factor	Value of the Risk Factor
a) Core Capital	527,721,716	544,396,199
b) Supplementary Capital	148,521,224	133,397,779
Total Capital (TC) (a+b)	676,242,940	677,793,978

Details Schedule of Total Capital Computation (TC) are given in Annexure-E with this Report.

Table-2

Area of Risk	Value of the Risk Factor	Value of the Risk Factor
a. Operation Risk Requirement (ORR)	665,014	1,149,857
b. Position Risk Requirement (PRR)	14,408,111	14,308,856
c. Counterparty Risk Requirement (CPRR)	45,900,718	46,643,548
d. Underwriting Risk Requirement (URR)	-	-
e. Large Exposure Risk Requirement (LERR)	3,242,782	31,345,559
f. Liabiliyy Risk Requirement (LRR)	50,569	929
Total Risk Requirement (TRR) (a+b+c+d+e+f)	64,267,193	93,448,749

Details Schedule of Total Risk Requirement Computation (TRR) are given in Annexure-F with this Report.

IIDFC Capital Limited

Schedule of Property, Plant & Equipment As at 31 December, 2025

Particulars	Cost				Rate (%)	Depreciation			Annexure-A Written Down Value (WDV) as at 31 December,
	Balance as at 01-01-2025	Addition during the year	Adjustment during the year	Balance as at 31-12-2025		Balance as at 01-01-2025	Charged during the year	Adjustment during the year	Balance as at 31-12-2025
Furniture & Fixtures	819,914	284,057	-	1,103,971	10%	819,914	28,406	-	848,320
Decoration & Renovation	-	713,985	-	713,985	10%	-	71,399	-	71,399
Office Equipment	4,074,907	539,100	-	4,614,007	18%	3,787,693	148,737	-	3,936,430
Balance as at 31 December, 2025	4,894,821	1,537,142	-	6,431,963		4,607,607	248,542	-	4,856,149
Balance as at 31 December, 2024	6,117,196	27,625	(1,250,000)	4,894,821	-	5,794,560	63,047	(1,250,000)	4,607,607

Schedule of Intangible Assets As at 31 December, 2025

Particulars	Cost				Rate (%)	Depreciation			Annexure-B Written Down Value (WDV) as at 31 December,
	Balance as at 01-01-2025	Addition during the year	Adjustment during the year	Balance as at 31-12-2025		Balance as at 01-01-2025	Charged during the year	Adjustment during the year	Balance as at 31-12-2025
Software	1,500,000	-	-	1,500,000	18%	1,499,990	-	-	1,499,990
Balance as at 31 December, 2025	1,500,000	-	-	1,500,000		1,499,990	-	-	1,499,990
Balance as at 31 December, 2024	1,500,000	-	-	1,500,000		1,499,990	-	-	1,499,990

IIDFC Capital Limited

[see rule 2(1) (j)(ii); rule 4(1)(b); rule 5(2)]

Statement of Total Capital Computation

As at 31 December, 2025

					Annexure-D
Sl. No.	Components	B/S Amount	Haircut (%)	Eligible Amount	Sum Amount
a.	Paid-up-capital	600,000,000	0%	600,000,000	
b.	Share Premium	-	0%	-	
c.	General reserve	-	0%	-	
d.	Capital Reserve	466,273	0%	466,273	
e.	Retained Earnings	(72,744,557)	0%	(72,744,557)	
	Sum of core capital			527,721,716	527,721,716
f.	General Provision	6,259,087	20%	5,007,270	
g.	Specific Provision	205,019,935	30%	143,513,955	
h.	Revaluation Surplus or unrealized gain on:				
i.	Fixed Assets (Property, plant & equipments other than Intangible assets)	-	30%	-	
ii.	Investment in listed securities	-	20%	-	
iii.	Investment in non-listed securities (other than closed end mutual fund)	-	35%	-	
iv.	Investment in strategic holding	-	25%	-	
i.	Preference Share	-	25%	-	
j.	Subordinated debt	-	20%	-	
	Sum of supplementary capital			148,521,224	148,521,224
	Total Capital			676,242,940	676,242,940

Formula of Capital Adequacy Ratio (CAR)= $\frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement (TRR)}} \times 100$

Our Capital Adequacy Ratio (CAR)= $\frac{676,242,940}{64,267,193} \times 100$

= **1052%**

[see rule 4(4)]
Statement of Total Risk Requirement Computation
As at 31 December, 2025

Area of Risk	Computation Formula	Full Amount	Risk Factor (%)	Eligible Amount	Annexure-E Applicable for Registered Entity
Operation Risk Requirement (ORR)	Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	13,300,279	5%	665,014	All
Position Risk Requirement (PRR)	i. Proprietary positions in Equity securities:				All
	Value of "A" category securities	21,542,121	10%	2,154,212	
	Value of "B/G/N/" category securities	56,565,215	12%	6,787,826	
	Value of "Z" category instruments	36,103,828	15%	5,415,574	
	Value of "OTC" category instruments	-	20%	-	
	Value of Non-Listed Instruments	-	25%	-	All
	ii. Proprietary positions in MFs & CIs:				
	Value of listed funds	-	10%	-	
	Value of non-listed funds	-	3%	-	
	Value of AIFs	-	25%	-	
	iii. Proprietary positions in Debt Instruments & ABSs:				All
	Value of listed debt instruments & ABSs	1,009,974.00	5%	50,499	
	Value of no-listed debt instruments	-	10%	-	
	Value of non-listed ABSs	-	10%	-	
Counterparty Risk Requirement (CPRR)	iv. Proprietary Position in strategic investments				All
	Value of listed strategic investments	-	10%	-	
	Value of no-listed strategic investments	-	25%	-	
	v. Proprietary Position in money market Instruments				All
	Value of Government securities/ instruments	-	0%	-	
	Value of commercial paper	-	10%	-	
	i. Exposure of credit facilities to Clients	573,758,970	8%	45,900,718	Stock Broker, Portfolio Manager

Counterparty Risk Requirement (CPRR)	iii. Exposure of Guarantee Provided to counterparty	-	2%	-	All
Underwriting Risk Requirement (URR)	Sum of Underwriting Commitment against the followings:	-			Merchant Banker
	i. Public Issue of Equity Instruments (IPO)	-	10%	-	
	ii. Public Issue of Equity Instruments (Rights Issue)	-	15%	-	
	iii. Public Issue of Debt Instruments	-	15%	-	
Large Exposure Risk Requirement (LERR)	Sum of Large Exposures against the followings:				All
	i. Sum of all Large Exposure to a Single counterparty	46,325,452	7%	3,242,782	
	ii. Sum of all Large Exposure to Single Equity	-	10%	-	
	iii. Sum of all Large Exposure to Debt Instruments	-	3%	-	
Liability Risk Requirement (LRR)	i. Exposure of Asset under Management (AUM)	-	1%	-	Asset Manager
	ii. Exposure of Fund Under Management (FUM)	-	1%	-	Fund Manager
	iii. Exposure of Institutional Fund Under Management (IFUM)	-	0.25%	-	Asset Manager, Merchant Banker and Portfolio Manager
	iv. Annual Revenue Reported in last year	25,284,453	0.20%	50,569	Credit rating Company, Stock Broker & Stock Dealer, Merchant Banker and Portfolio Manager
Total Risk requirement				773,890,292	64,267,193

IIDFC Capital Limited

[see rule 2(1)(i);rule 4(1)(d);rule 8(5)]

Statement of Liquid Capital Balance

As at 31 December, 2025

Sl. No.	Assets	Particular's	Note Ref.	Amount as in Balance sheet	Proposed Haircut in (%)	Annexure-F
						Amount after Haircut
1	Cash and Bank Balances			23,132,634		23,120,285
	Cash in Hand			20,301	0%	20,301
	Cash at Bank in Company's operational Account			6,424,436	0%	6,424,436
	Cash at Bank in trading accounts (Stock Dealer A/C)			3,449,630	0%	3,449,630
	Cash at Bank accounts for clients (consolidated customer account)			7,725,918	0%	7,725,918
	Cash at Bank at IPO Account			12,349	100%	-
	Investments in FDR			5,500,000	0%	5,500,000
	Others cash and cash equivalent			-	0%	-
2	Net Receivable from Exchange, Depository, CCP and others			-	0%	-
	Mandatory for Cash deposits with Exchanges (as margin/security)			-	100%	-
	Excess over Mandatory for Cash deposits with Exchanges (as margin/security)			-	0%	-
	Mandatory for Cash deposits with Clearing House (as margin/security)			-	100%	-
	Excess over mandatory for Cash deposits with Clearing House (as margin/security)			-	0%	-
	Mandatory for Cash deposit with depository (as per rule)			-	100%	-
	Excess over mandatory for Cash deposit with depository (as per rule)			-	0%	-
	Assets provided to others as security			-		-
		Assets kept as security against any obligations		-	100%	-
		Assets kept as security but exercisable within 30		-	0%	-
		Cash provided as security for short selling		-	100%	-
3	Net Receivable from Securities Trading:			-		-
	Receivable from DSE (categorized as A,B,G,N,Z and DVP)			-		-
		Receivable from DSE against A, B, G & N			0%	-
		Receivable from DSE against Z category		-	5%	-
		Receivable from DSE against DVP category		-	5%	-
	Receivable from CSE (categorized as A,B,G,N,Z and			-		-
		Receivable from CSE against A, B, G & N		-	0%	-
		Receivable from CSE against Z category		-	5%	-

IIDFC Capital Limited

		Receivable from CSE against DVP category	-	5%	-
	Receivable from Stock Broker/Stock Dealer		-	0%	-
	Receivable from Merchant		-	0%	-
	Receivable from selling agents		-	0%	-
	Receivable under securities		-	5%	-
	Receivable under repurchase transactions		-	0%	-
	Receivable from others		-	0%	-
4	Net receivable from margin clients :		590,693,357		490,109,314
	Receivable from Clients having no margin or full erosion of clients' equity (e.g.no equity against debit balance)		333,675,121	20%	266,940,096
	Receivable from Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)		218,448,266	15%	185,681,026
	Receivable from Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)		21,635,584	5%	20,553,805
	Receivable from regular Margin Clients (e.g. equity is >150% of debit balance)		16,934,387	0%	16,934,387
5	Net Receivable from other Clients-		-		-
		Receivable after securities trading	-	15%	-
		Receivable arises from	-	5%	-
6	Net receivable from		-	0%	-
7	Net Receivable arises from short selling		-	10%	-
8	Proprietary positions in securities and specified		116,231,112		101,823,001
	i. Proprietary positions in Equity securities		114,211,164		99,853,552
		Value of "A" category instruments	21,542,121	10%	19,387,909
		Value of "B/G/N/..."	56,565,215	12%	49,777,389
		Value of "Z" category instruments	36,103,828	15%	30,688,254
		Value of "OTC" category	-	20%	-
		Value of Non-Listed Instruments	-	25%	-
	ii. Proprietary positions in MFs & CISs including AIFs		-		-
		Value of listed funds	-	10%	-
		Value of non-listed funds	-	3%	-
		Value of AIFs	-	25%	-
	iii. Proprietary positions in Debt		1,009,974		959,475
		Value of listed debt	1,009,974	5%	959,475
		Value of no-listed debt instruments	-	10%	-
		Value of non-listed ABSs	-	10%	-
	iv. Proprietary Position in		-		-
		Value of listed strategic	-	10%	-
		Value of no-listed	-	25%	-
	v. Proprietary Position in money		1,009,974		1,009,974
		Value of Govt. & BB instruments	1,009,974	0%	1,009,974
		Value of commercial	-	10%	-
	vi. Own subscription in IPOs but		-	10%	-
	vii. Other Investment		-	n/a	-
9	Proprietary position in Derivatives		-	n/a	-
10	Other assets arising from:		257,426		200,000
	Receivable against Advisory		-	10%	-
	Dividend Receivable		-	0%	-
	Interest Receivable		-	0%	-
	Prepaid expenses		-	100%	-

IIDFC Capital Limited

	Security deposits			200,000	100%	200,000
	Any other (need to specify)			57,426		-
11	Total liquid assets	(aggregate of items 1 to		730,314,529		615,252,600
	Liabilities					
12	Short positions in securities held			-	0%	-
13	Payable to Clients			6,413,068	0%	6,413,068
14	Short Term Business Liabilities:			-		-
	Payable to Banks, if not for			-	0%	-
	Payable to FIs, if not for trading & Investment (current portion of long-term liabilities)			-	0%	-
	Payable to Banks & FIs for loan against Margin Financing & Investment (full amount)			-	0%	-
	Payment obligation against sub-debt, preference shares (current portion)			-	0%	-
	Payable to associate companies or persons			-	0%	-
15	Amounts payable to clearing houses/Exchanges/Depository etc.			-		-
	Payable to Exchanges			-	0%	-
	Payable to Clearing House/CCP			-	0%	-
	Payable to Depository			-	0%	-
	Payable to Brokers			-	0%	-
16	Other Liabilities and Provisions:			268,038,945		56,272,535
	Accruals & Accounts payable			270,851	0%	270,851
	Deferred tax and other deffered			-	50%	-
	Provision for Margin Loan			195,385,951	100%	-
	Provision for diminution in value of investment in securities			15,893,071	100%	-
	Provision for Gratuity, PF & others			974,776	50%	487,388
	Provision for Tax & VAT			55,514,296	0%	55,514,296
	Interest Suspense against Margin Loan			-	100%	-
	Liabilities for Expenses			-	0%	-
	Interest Payable			-	0%	-
	Provision for contingent liabilities			-	50%	-
	Others (clearly specified in notes)			-	0%	-
17	Net Short term obligations after haircut	Aggregate of item 12 to item 16		274,452,013		62,685,603
18	Total Liabilities	As per Balance Sheet		288,053,208		288,053,208
19	Liquid Capital (Amount in item 11 minus item 17)			455,862,517		552,566,998
20	Regulatory LCB : 4%/6%/8% of			23,044,257		23,044,257
21	Excess/(Deficit) in Liquid Capital Balance	(Amount in Item 20 less 19)		432,818,260		529,522,741

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IIDFC SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of "IIDFC Securities Limited", which comprise the statement of financial position as at 31 June, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 June, 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, Securities and Exchange Rules, 1987 Bangladesh Securities and Exchanges Commission Act, 1993 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

1. Margin Loans to Clients:

We draw attention to Note 7.00 to the financial statements regarding Margin Loan to Clients amounting to Tk. 1,219,929,515, of which regular margin loan constitutes Tk. 382,042,608. Under the bailout program for long-outstanding negative equity margin loan accounts, the Company disposed of most of the available securities in these accounts and recovered the outstanding margin loans to the maximum extent possible. As at 31 December, 2025, margin loans amounting to Tk. 837,886,907 under the bailout program were transferred to separate interest-free blocked accounts and are being gradually written off against future profitability.

As per the directives issued by the Bangladesh Securities and Exchange Commission vide circular nos. BSEC/CMRRCD/2009-193/196 dated 18 December, 2016, BSEC/CMRRCD/2009-193/203 dated 28 December, 2017, BSEC/SRI/NE/2020/605 & 606 dated 28 December, 2022, BSEC/SMMID/NE/2023/840 dated 22 October, 2023, BSEC/SMMID/NE/2023/1690 dated 28 March, 2024, BSEC/SMMID/NE/95/105/2024/303 dated 24 April, 2025, BSEC/SMMID/NE/AP/2025/108/629 dated 13 November, 2025, and BSEC/SMMID/NE/AP/2025/108/643 dated 16 November, 2025, the required provision against unrealized losses on margin loans is to be maintained by 31 December, 2030. Accordingly, during the year 2025, the Company recognized a loan loss reserve of Tk. 42,065,925 representing 8% of the required provision in accordance with the approved action plan. As at the reporting date, the cumulative provision recognized amounted to Tk. 334,515,521, representing 40.88% of the total unrealized losses (negative equity) (Ref: Note No. 24.00).

However, in complying with the revised bailout action plan, the Company incurred a loss of Tk. 34,420,300 during the year 2025, which appears to be inconsistent with the intended objectives of the bailout circulars. Furthermore, considering the Company's recent financial performance and accumulated losses, significant uncertainty exists regarding the Company's ability to fulfill its commitments under the approved action plan.

2. Investment in Securities: (Dealer Operations):

We draw attention to Note 8.00 to the financial statements regarding Investment in Securities, which has been recorded at cost value. However, in accordance with IFRS-9 paragraph 4.1.1, financial assets are required to be measured at fair value. As per the guideline issued by the Dhaka Stock Exchange vide no. DSE/MCD/CLR/AFS/2024/15 dated 03 March, 2024 and the directives of the Bangladesh Securities and Exchange Commission vide no. SEC/CMRRCD/2009-193/196 dated 18 December, 2016 and SEC/SMMID/NE/AP/2025/108/643

dated 16 November, 2025, the required provision against unrealized loss on investment in securities is to be maintained by 31 December, 2030. Accordingly, during the year 2025, the Company recognized a provision amounting to Tk. 9,033,300, representing 29.65% of the total unrealized loss and/or 8% of the required provision against the balance of investment in securities as stipulated in the approved action plan. However, due to recognition of such provision, the Company incurred a loss amounting to Tk. 34,420,299. Furthermore, considering the Company's historical financial performance and overall financial condition, significant uncertainty exists regarding the Company's ability to achieve the objectives of the approved Action Plan (ref: note no.23.00)

3. Margin Loan with Positive Equity:

We draw attention to Note No. 7.01 to the financial statements, which represents loan facilities extended to customers for trading listed securities in the secondary capital market in accordance with the Margin Rules, 1999. As at 31 December, 2025, the total outstanding regular margin loan amounted to Tk. 382,042,608, of which Tk. 45,000,000 has not been subjected to interest charging due to pending litigation cases and management's commitment for a prospective waiver under the bailout program. Furthermore, as at the reporting date, the market value of the underlying securities stood at Tk. 965,833,647 which adequately covers the related margin loan exposure and reflects a positive equity position.

4. Margin Loan with Positive Equity with Mr. Alhaji Kazi Abu Kausar:

We draw attention to Note No. 7.01 to the financial statements regarding the settlement arrangement of the margin loan account of Mr. Alhaji Kazi Abu Kausar (Trading A/C No. IDA-M-02697 and BO A/C No. 1204480014876777). The customer filed Writ Petition No. 16260 of 2018 before the Honorable High Court seeking waiver of the margin loan liability.

In the Company's 61st Board Meeting, the Board approved a settlement proposal whereby the customer would settle the outstanding obligation through payment of Tk. 50.00 million in installments by December, 2025, subject to execution of a "Solenama Deed" and withdrawal of all related legal proceedings prior to the release of Al-Arafah Bank shares. The settlement arrangement further stipulated those securities would be released proportionately against each installment payment and that failure to settle the full agreed amount within the stipulated timeline would render the settlement void. Upon successful completion of the settlement, the remaining balance of Tk. 76.94 million would be waived by the Company.

As at 30 June, 2025, the Company had received Tk. 30.00 million from the customer, while the outstanding margin loan balance stood at Tk. 96,939,398 as at 31 December, 2025. Subsequently, upon the customer's request for an extension of time, the Board of Directors, in its 68th Meeting held on 24 December, 2025, approved the extension up to July, 2026 subject to certain conditions as stated in the relevant Board resolution.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in note 2.00 and for such internal control as management determines in necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 and other applicable laws and regulations require the management to ensure effective internal audit, internal controls and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In according with the Companies Act, 1994, International Financial Reporting Standards (IFRSs), Securities and Exchange Rules, 1987 Bangladesh Securities and Exchanges Commission Act, 1993 and other applicable laws and regulations we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Sd/-

Dated: Dhaka

11 June, 2026

KAZI ZAHIR KHAN & CO.

Chartered Accountants

DVC: 2606110915AS8092105

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA

Engagement Partner (ICAB Enrolment No. 0915)

FRC Enrolment No. CA-001-225

IIDFC Securities Limited

Statement of Financial Position As at 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
PROPERTY & ASSETS			
Non-Current Assets		91,651,694	94,016,118
Property, Plant & Equipment	3.00	4,803,308	5,796,736
Intangible Asset	4.00	539,537	750,661
Cost of TREC Holding	5.00	85,978,830	85,978,830
Deffered Tax Assets	6.00	330,019	1,489,891
Current Assets		1,924,744,774	2,307,263,677
Margin Loans to Clients	7.00	1,219,929,515	1,433,275,310
Investment in Securities (Dealer Operations)	8.00	299,948,699	304,882,809
Advance against Income Tax	9.00	271,025,874	256,269,341
Advances, Deposits & Pre-payments	10.00	3,516,266	4,827,483
Receivable from Stock Exchange	11.00	3,129,993	38,668,563
Other Receivables	12.00	142,283	-
Cash & Cash Equivalents	13.00	127,052,144	269,340,171
Total Property & Assets		2,016,396,468	2,401,279,795
SHAREHOLDER'S EQUITY & LIABILITIES			
Shareholders' Equity:		1,090,742,772	1,125,163,072
Share Capital	14.00	1,000,000,000	1,000,000,000
Capital Reserve	15.00	796,301	796,301
General Reserve	16.00	17,000,000	17,000,000
Retained Earnings	17.00	72,946,471	107,366,771
Non-Current Liabilities:		164,905,998	237,986,558
Term Loan	18.00	164,905,998	237,986,558
Current Liabilities:		760,747,698	1,038,130,165
Accounts Payable	19.00	1,543	5,761,002
Payable to Clients	20.00	84,308,906	253,738,682
Payable to Stock Exchange	21.00	2,478,734	586,967
Payable to Gratuity Fund	22.00	10,907,298	8,000,000
Provision for Diminution in Value of Investment in Securities	23.00	43,784,889	28,230,098
Loan Loss Reserve	24.00	334,515,521	334,515,521
Accured Expenses	25.00	5,577,845	3,576,135
Short-Term Loan (Bank Overdraft)	26.00	(24,243)	105,026,513
Other Liabilities	27.00	2,835,160	39,703,962
Provision for Income Tax	28.00	264,162,750	244,658,514
Provision for Margin Loan	29.00	12,199,295	14,332,771
Total Shareholders' Equity & Liabilities		2,016,396,468	2,401,279,795
Net Asset Value (NAV) per Share	25.00	10.91	11.25

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-

Chairman

Sd/-

Chief Executive Officer

Sd/-

Director

This is the Statement of Financial Position referred to in our report of even date.

Sd/-

Dated: Dhaka
11 June, 2026

KAZI ZAHIR KHAN & CO.

Chartered Accountants

DVC: 2606110915AS8092105

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA

Engagement Partner (ICAB Enrolment No. 0915)

FRC Enrolment No. CA-001-225

IIDFC Securities Limited

Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Revenue	30.00	171,747,297	159,980,789
Less: Laga Charges		(5,934,676)	(6,295,407)
Less: CDBL Chrges		(49,514)	(33,450)
Less: Howla Chrges		(2,050)	(910)
Gross Profit/(Loss)		165,761,057	153,651,022
Less: General & Administrative Expenses	31.00	(89,079,759)	(82,937,898)
Less: Financial Expenses	32.00	(33,257,235)	(43,546,869)
Add: Other Income	33.00	349,732	11,700
Profit/(Loss) before Tax & Provision		43,773,796	27,177,955
Add: Provision for Margin Loan	29.00	2,133,476	990,385
Less: Provision for Diminution in Value of Investment in Securities	23.00	(15,554,791)	(14,998,583)
Less: FVPL of Margin Loans Loss	24.00	(44,108,673)	-
Net Profit/(Loss) before Tax		(13,756,192)	13,169,757
Income Tax Expenses		(20,664,108)	(16,859,900)
Less: Current Tax	34.00	(19,504,236)	(17,269,242)
Less: Deferred Tax	6.00	(1,159,872)	409,342
Net Profit/(Loss) after Tax		(34,420,300)	(3,690,143)
		-	-
Add: Adjustment for Fair Value Gain/(Loss) on Investment in Share		-	-
Total Comprehensive Income/(Loss) for the year		(34,420,300)	(3,690,143)
Earnings per Share (EPS)	36.00	(0.34)	(0.04)

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chairman

Sd/-
Chief Executive Officer

Sd/-
Director

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS8092105
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Securities Limited

Statement of Changes in Equity For the year ended 31 December, 2025

Particulars	Share Capital	Capital Reserve	General Reserve	Retained Earnings	Total Amount in Taka
Opening Balance as at 01-01-2025	1,000,000,000	796,301	17,000,000	107,366,771	1,125,163,072
Add: Net Profit/(Loss) after Tax	-	-	-	(34,420,300)	(34,420,300)
Balance as at 31-12-2025	1,000,000,000	796,301	17,000,000	72,946,471	1,090,742,772

Particulars	Share Capital	Capital Reserve	General Reserve	Retained Earnings	Total Amount in Taka
Opening Balance as at 01-01-2024	1,000,000,000	501,840	17,000,000	115,151,819	1,132,653,659
Add: Net Profit/(Loss) after Tax	-	-	-	(3,690,143)	(3,690,143)
Add: Transferred to Capital Reserve	-	294,461	-	(294,461)	-
Add: Transferred to Other Liabilities	-	-	-	(3,800,444)	(3,800,444)
Balance as at 31-12-2024	1,000,000,000	796,301	17,000,000	107,366,771	1,125,163,072

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chairman

Sd/-
Chief Executive Officer

Sd/-
Director

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants
DVC: 2606110915AS8092105
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA
Engagement Partner (ICAB Enrolment No. 0915)
FRC Enrolment No. CA-001-225

IIDFC Securities Limited

Statement of Cash Flows For the year ended 31 December, 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
A. Cash Flows from Operating Activities:		44,375,496	24,204,250
Receipt of Interest		101,124,514	78,895,854
Interest paid on Borrowings		(32,932,892)	(43,471,589)
Receipt of Brokerage Commission		69,601,824	73,460,665
Receipt of Dividend		3,416,945	6,005,048
Gains on Sale of Securities		(2,661,085)	1,122,407
Payment to Employees		(56,813,378)	(52,794,241)
Receipts from Other Operating Activities		487,369	508,515
Payment for Other Operating Activities		(23,091,267)	(22,253,168)
Income Tax Paid		(14,756,533)	(17,269,241)
Increased/(Decreased) in Operating Assets and Liabilities		(181,868,380)	(149,464,580)
Advances, Deposits and Pre-payments		1,311,217	1,792,830
Receivable from Stock Exchange		35,538,570	(34,127,856)
Other Receivables		1,017,590	1,711,320
Payable to Gratuity Fund		(4,000,000)	(564,560)
Payable to Clients		(169,429,776)	(123,459,413)
Accounts Payable		(5,759,459)	5,761,002
Accrued Expenses		(2,176,135)	(4,297,561)
Payable to Stock Exchange		1,891,767	(7,234,308)
Other Liabilities		(40,262,154)	10,953,966
Net Cash Generated/(Used) from Operating Activities (A)		(137,492,883)	(125,260,330)
B. Cash Flows from Investing Activities			
Investment in Shares		4,934,110	(18,387,067)
Margin Loan to Clients		169,237,122	72,540,271
Acquisition of Property, Plant and Equipment		(2,644,052)	(208,147)
Disposal of Property, Plant and Equipment		1,808,992	98,000
Net Cash Generated/(Used) in Investing Activities (B)		173,336,172	54,043,057
C. Cash Flows from Financing Activities			
Receipt/(Repayment) of Term Loans		(73,080,560)	(75,742,776)
Receipt/(Repayment) of Bank Overdraft		(105,050,756)	(24,521,364)
Net Cash Generated/(Used) in Financing Activities (C)		(178,131,316)	(100,264,140)
D. Net Cash Increased/(Decreased) in Cash & Cash Equivalents (A+B+C)		(142,288,027)	(171,481,413)
E. Cash and Cash Equivalents at the Beginning of the year		269,340,171	440,821,584
F. Cash and Cash Equivalents at the End of the year		127,052,144	269,340,171
The balance consists of the followings:			
Cash in Hand		17,542	54,242
Cash at Bank		127,034,602	269,285,929
Total		127,052,144	269,340,171
Net Operating Cash Flows per Share (NOCFPS)	26.00	(1.37)	(1.25)

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026 and signed for and on behalf of the Board.

Sd/-
Chairman

This is the Statement of Cash Flows referred to in our report of even date.

Dated: Dhaka
11 June, 2026

Sd/-
Chief Executive Officer

Sd/-

Sd/-
Director

KAZI ZAHIR KHAN & CO.

Chartered Accountants

DVC: 2606110915AS8092105

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA

Engagement Partner (ICAB Enrolment No. 0915)

FRC Enrolment No. CA-001-225

IIDFC Securities Limited

Notes to the Financial Statements

As at and for the year ended 31 December, 2025

1.00 Company and its Activities:

1.01 The Company:

IIDFC Securities Limited is a public Company incorporated in Bangladesh under the Companies Act, 1994 bearing Incorporation registration no. C-83521/10 dated 28 March, 2010 issued by the Registrar of Joint Stock Companies and Firms, Bangladesh. The Company is the Shareholder, TREC Holder and Dealer of Dhaka Stock Exchange Limited (DSE) bearing Membership Number- 238 and DP of CDBL.

1.02 Nature of Business:

The Principal activities of the Company is to act as member of Stock Exchanges, DP of CDBL the Central Depository System (CDS) companies, Asset Management Companies, Merchant Banker, underwriter, placement agent and portfolio manager and to carry on the business of broker, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations, debentures, debenture stocks, treasury bills and for any financial instruments whether in Bangladesh or abroad either as a joint venture on collaboration with foreign shareholders or exclusively with local participation and to obtain permission of authorities concerned as and when necessary.

1.03 Address of the Registered & Corporate Office:

The registered and corporate office of the Company is situated in Metropolitan Chamber Building (2nd Floor, East North Side), 122-124 Motijheel C/A, Dhaka-1000.

2.00 Significant Accounting Policies:

2.01 Basis of Preparation & Presentation of the Financial Statements:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Securities and Exchange Rules, 1987, IAS and IFRS. The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1, "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to IAS-

2.02 Accounting Convention & Assumption:

The financial statements are prepared under the historical cost convention.

2.03 Principal Accounting Policies:

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the Framework for preparation and presentation of the financial statements. Financial statements have been prepared and presented in compliance with IAS-1, "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS-1

2.03.1 Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and IASs. On the basis of these regulations, International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) were applied with the applicable standards at the Statement of Financial Position date.

2.03.2 Other Regulatory Compliance:

As required, Western Securities Investment Management Limited also complies with the applicable provisions of the following major laws/statutes:

- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules,
- The Income Tax Act, 2023;
- The Finance Ordinance, 2025;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.03.3 Critical Accounting Estimates, Assumptions & Judgments:

The preparation of the financial statements are in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.04 Going Concern:

The Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of existing business.

2.05 Components of the Financial Statements:

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- Statement of Financial Position as at 31 December, 2025;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December, 2025;
- Statement of Changes in Equity for the year ended 31 December, 2025;
- Statement of Cash Flows for the year ended 31 December, 2025 &
- Accounting Policies and Explanatory Notes.

2.06 Application of Standards:

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in compliance with other relevant local laws including Securities and Exchange Rules 1987. The presentation of the interim financial statements and the accounting policies used in preparing them are consistent with those of the Annual Financial Statements. The preparation of the interim Financial Statements requires management to make estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be

Sl. No.	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	IAS-1	Applied
2	Inventories	IAS-2	Not Applicable
3	Statement of Cash Flows	IAS-7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
5	Events after the Reporting Period	IAS-10	Applied
6	Income Taxes	IAS-12	Applied
7	Property, Plant and Equipment	IAS-16	Applied
8	Employee Benefits	IAS-19	Not Applicable
9	The Effects of Changes in Foreign Exchange Rates	IAS-21	Not Applicable
10	Borrowing Costs	IAS-23	Not Applicable
11	Related Party Disclosures	IAS-24	Applied
12	Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
13	Investment in Associates and Joint Ventures	IAS-28	Not Applicable
14	Financial Reporting in Hyperinflationary Economics	IAS-29	Not Applicable
15	Earnings Per Share	IAS-33	Applied
16	Interim Financial Reporting	IAS-34	Applied
17	Impairment of Assets	IAS-36	Applied
18	Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
19	Intangible Assets	IAS-38	Applied
20	Financial Instruments: Recognition and Measurement	IAS-39	Applied
21	Investment Property	IAS-40	Not Applicable
22	Agriculture	IAS-41	Not Applicable

Sl. No.	Name of IFRSs	IFRSs No.	Status
1	First time adoption of International Financial Reporting Standards	IFRS 1	Not Applicable
2	Shares based Payment	IFRS 2	Not Applicable
3	Business Combinations	IFRS 3	Not Applicable
4	Insurance Contract	IFRS 4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
7	Financial Instruments: Disclosure	IFRS 7	Applied
8	Operating Segments	IFRS 8	Not Applicable
9	Financial Instruments	IFRS 9	Applied
10	Consolidated Financial Statements	IFRS 10	Not Applicable
11	Joint Arrangement	IFRS 11	Not Applicable
Sl. No.	Name of IFRSs	IFRSs No.	Status
12	Disclosure of Interest in other entities	IFRS 12	Not Applicable
13	Fair Value Measurement	IFRS 13	Applied
14	Regulatory deferral accounts	IFRS 14	Not Applicable
15	Revenue from Contracts with Customers	IFRS 15	Applied
16	Leases	IFRS 16	Not Applicable
17	Insurance Contract	IFRS 17	Not Applicable

2.07 Cash & Cash Equivalents:

Cash & cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

2.08 Receivables:

Receivables are carried at original invoice amount. This is considered good for collection and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for as bad debt in the current year accounts.

2.09 Creditors & Accrued Expenses:

2.09.1 Trade & Other Payables:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

2.09.2 Provision:

The preparation of financial statements are in conformity with International Accounting Standards, IAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial Statements

2.10 Revenue Recognition:

Revenue, which comprises of brokerage commission and service charges is recognized in accordance with IFRS-15 Revenue from Contract with Customers. The Company's trading income is subject to deduction of tax at source which is treated as final discharge from tax liability under Income Tax Act, 2023.

2.11 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with International Accounting Standard IAS-7, "Statement of Cash Flows" and the cash flows from the operating activities have been presented under indirect method.

2.12 Statement of Changes in Equity:

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

2.13 Property, Plant & Equipment:

a. Recognition and Measurement:

In compliance with IAS-16, (Property, Plant & Equipment) items of Property, Plant & Equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

b. Capitalization of Borrowing Cost:

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS-23, Borrowing Cost, allowed alternative treatment.

c. Subsequent Costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day to day maintaining cost on PPE are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

d. Depreciation:

Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Each item of PPE is depreciated from the date in which the asset comes into use or capitalized. In case of disposals, no depreciation is charged in the month of disposal.

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate (%)
Furniture & Fixtures	10%
Office Decoration	10%
Office Equipment	18%
Computer Software	18%

e. Retirements and Disposals:

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

2.14 Intangible Assets:

Intangible assets includes IT software which is used to maintain Company's Back Office and accounts. It also includes CDBL, Share Management Software and Website.

a. Recognition and Measurement:

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. It is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the assets can be measured reliably as required by IAS-38: Intangible assets. The cost of the Intangible assets comprises its purchase price and any costs directly attributable to the assets.

b. Subsequent Costs:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the Statement of Profit or Loss and Other Comprehensive Income when incurred.

c. Amortization:

Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income on diminishing balance method based on written down value at which the asset is carried in the books of account. Amortization continues to be provided until such time as the written down value is reduced to Taka one.

2.15 Impairment of Assets:

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

2.16 Income Tax:

2.16.1 Current Tax:

Provision for taxation has been made as per rates prescribed in the Finance Act and the Income Tax Act, 2023 on profit made by the Company. As per IAS-12 Income Tax provision has been made during the year as the Company earned taxable income.

2.16.2 Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Western Securities Investment Management Limited recognized deferred tax liabilities for all taxable temporary differences.

2.17 Contingent Liabilities & Assets:

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with IAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.18 Related Party Disclosures:

As per International Accounting Standard (IAS-24) the parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is with its related parties.

2.19 Leases:

The standard replaces IAS-17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS-16 will be higher when compared to lease expenses under IAS-17. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor Accounts for leases.

2.20 Earnings per Share:

The Company calculates Earnings per Share (EPS) in accordance with IAS-33, "Earnings per Share", which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income, and the computation of EPS is stated in the note.

2.20.1 Basic Earnings:

This represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders.

2.20.2 Basic Earnings per Share:

This has been calculated by dividing the basic earnings by weighted average number of ordinary shares outstanding during the period.

2.21 Reporting Currencies and Level of Precision:

The figures in the financial statements represents Bangladeshi Taka (Tk.) currency and rounded off to the nearest Taka except where indicates otherwise.

2.22 General:

Figures of previous year have been rearranged wherever considered necessary to confirm presentation of the current year.

2.23 Date of Authorozation:

The financial statements were approved and authorized by the Board of Directors on 11 June, 2026.

2.24 Comparative Figure :

Comparative information has been disclosed in respect of the year ended 31 December, 2025 for all numerical information in the financial statements and also the narrative descriptive information where it is relevant for understanding of the current period's financial statements. Comparatives may be restated where considered necessary for comparison purpose.

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
3.00	Property, Plant & Equipment:		
	This is made-up as follows:		
	A. Cost:		
	Opening Balance	35,162,551	35,953,505
	Add: Addition during the year	2,644,052	208,147
	Less: Adjustmen/(Disposal) during the year	(8,930,548)	(999,101)
	Closing Balance of Cost	28,876,055	35,162,551
	B. Depreciation:		
	Opening Balance	29,365,815	27,758,927
	Add: Charged during the year	1,955,955	1,899,090
	Less: Adjustmen/(Disposal) during the year	(7,249,023)	(292,202)
	Closing Balance of Depreciation	24,072,747	29,365,815
	Written Down Value (WDV) (A-B)	4,803,308	5,796,736
	Details Schedule of Property, Plant & Equipment are given in Annexure-A with the report.		
4.00	Intangible Asset:		
	This is made-up as follows:		
	A. Cost:		
	Opening Balance	2,839,744	2,839,744
	Add: Addition during the year	-	-
	Less: Adjustmen/(Disposal) during the year	-	-
	Closing Balance of Cost	2,839,744	2,839,744
	B. Amortization:		
	Opening Balance	2,089,083	1,877,955
	Add: Addition during the year	211,124	211,128
	Less: Adjustmen/(Disposal) during the year	-	-
	Closing Balance of Amortization	2,300,207	2,089,083
	Written Down Value (WDV) (A-B)	539,537	750,661
	Details Schedule of Intangible Assets are given in (Annexure-B) with the report.		
5.00	Cost of TREC Holding:		
	This balance represents:		
	Cost of TREC Holding	85,978,830	85,978,830
	Total	85,978,830	85,978,830
	In pursuance to section 3.1.4 of the scheme of demutualization of Dhaka Stock Exchange Ltd. (DSE), 7,215,106 Ordinary Shares of Tk. 10 each were allotted by DSE in favor of IIDFC Securities Ltd. Out of total shares allotted, 2,886,042 ordinary shares of Tk. 28,860,420 being 40% of total ordinary shares allotted were issued and credited to BO account of IIDFC Securities Ltd. for Tk. 28,860,420 and value of cost of DSE membership has been adjusted to that extent. The remaining 4,329,064 shares being 60% ordinary shares of 7,215,106 of Tk. 43,290,640 were credited to the "DSE Demutualization Blocked Account" maintained by DSE. As per that aforesaid scheme, these 60% shares will be off-loaded in the following manner:		
	1. 25% has already been sold to the strategic investors by Dhaka Stock Exchange Ltd. in 2018.		
	2. Except shares allotted in favor of strategic investors, 35% shares held in blocked account shall be sold out to the general public/institutional investors.		
	Those shares under blocked account as indicated above will be recognized and accounted for upon recovery.		
6.00	Deferred Tax Assets:		
	This is made-up as follows:		
	Furniture & Fixtures (WDV of Tax Base-WDV of Accounts Base)	439,528	986,979
	Office Decoration (WDV of Tax Base-WDV of Accounts Base)	(711,423)	2,405,529
	Office Equipment (WDV of Tax Base-WDV of Accounts Base)	1,073,170	1,837,608
	Computer Software (WDV of Tax Base-WDV of Accounts Base)	398,793	187,669
		1,200,068	5,417,785
	Applicable Tax Rate (%)	27.5%	27.5%
	Deferred Tax Assets	330,019	1,489,891

IIDFC Securities Limited

Notes	Particulars	Amount in Taka		
		31-12-2025	31-12-2024	
7.00	Margin Loans to Clients:			
	This balance represents:			
	Margin Loan with Positive Equity	382,042,608	558,468,738	
	Margin Loan with Negative Equity	837,886,907	874,806,572	
	Total	1,219,929,515	1,433,275,310	
7.01	Margin Loan with Positive Equity:			
	This represents loan facilities extended to the customers for trading of listed securities in the secondary capital market as per the Margin Rules, 1999. As of 31 December, 2025, the total regular margin loan is Tk. 382,042,608 out of which Tk. 45,000,000 are not charged interest due to pending litigation cases and a commitment for a future waiver. As on 31 December, 2025, the total market value of securities is Tk. 965,833,647 against such positive equity of margin loan.			
	The management placed a proposal on 61th Board Meeting for the settlement of Margin Loan account of Mr. Alhaji Kazi Abu Kausar, Trading A/C No. IDA-M-02697 and BO A/C No.1204480014876777. Mr. Kausar has taken legal steps against the Company to waive the margin loan in his account by Writ Petition No. 16260 of 2018 on 18.12.2018 in the Honorable High Court.			
	The Board approved settling the Margin Account if the customer pays Tk. 50.00 million by December, 2025 in installments. Simultaneously, a 'Solenama Deed' must be executed. Customer's court cases must be withdrawn before receiving Al-Arafah Bank shares. Securities will be released after each payment. Settlement will be void if full payment isn't made by 2025. The customer's Tk. 76.94 million balance will be waived upon full Tk. 50 million payment.			
	The Company has already received Tk. 30.00 million by 30 June, 2025 and outstanding margin loan balance of Tk. 96,939,398 as on 31 December, 2025. Subsequently, the client approached to extended time which approved from the Board of the Company in its 68th meeting dated 24 December, 2025 subject to the flowing conditions:			
	(a)The client must deposit Tk. 10.00 lac through an account payee cheque on or before April, 2026.			
	(b)The client must submit a logical and time-bound repayment schedule for the remaining outstanding amount payment of Tk. 1.90 crore supported by postdated account payee cheque(s). which will be cleared by 09 July. 2026.			
	The Board further resolved that no further extension of the repayment timeline shall be allowed beyond the approved period.			
7.02	Margin Loan with Negative Equity:			
	This represents loan facilities extended to the customers for trading of listed securities as per the Margin Rules,1999 issued by the BSEC. Subsequently, due to gradually interest charged & decreased of the market value of securities, the outstanding margin loan is standing greater than the market value of the portfolio, it's become adverse equity against margin loan of Tk. 864,345,942 out of which Tk. 819,345,943 has been transferred to interest free blocked accounts under the "Bailout Program " for long outstanding negative equity margin accounts.			
	Under this program, the company sold out the securities available in these accounts and recovered the outstanding margin loan as much as possible. The market value of securities is Tk. 19,647,342 and cost value Tk. 34,400,463 against irregular loan accounts as on 31 December, 2025.			
8.00	Investment in Securities:			
	This balance represents:			
	Investment in Listed Securities (Note-8.01)	270,090,179	275,024,289	
	Investment in Non-Listed Securities (Note-8.02)	29,858,520	29,858,520	
	Total	299,948,699	304,882,809	
	Listed securities breakup for the year ended 31 December, 2024:			
	Particular's	Cost price	Market Price	Unrealised Gain/(Loss)
	Banks	54,627,478	30,411,022	(24,216,456)
	Engineering	73,862,380	26,301,184	(47,561,196)
	Food and Allied Products	10,116,391	5,575,378	(4,541,013)
	Fuel and Power	7,570,712	2,484,770	(5,085,942)
	General Insurance	78,767	72,816	(5,951)
	Information Technology (IT)	2,607,000	1,785,000	(822,000)
	Life Insurance	3,633,881	2,482,252	(1,151,629)
	Miscellaneous	33,983,111	26,362,411	(7,620,700)
	Pharmaceutical and Chemicals	53,053,584	20,178,450	(32,875,134)
	Textile	4,026,409	2,253,845	(1,772,564)
	Travel and Leisure	690,500	273,000	(417,500)
	Financial Institution	17,685,202	8,304,636	(9,380,566)
	Mutual Funds	13,088,874	7,389,040	(5,699,834)
	Total	275,024,289	133,873,805	(141,150,484)

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
8.01 Investment in Listed Securities:			
	Listed Securities	270,090,179	275,024,289
	Total	270,090,179	275,024,289
	Details Schedule of Investment in Listed Securities are given in (Annexure-C) with the report.		
	This investment has been made in different listed securities of DSE through Dealer Account. This represents the Market Value of the stocks as on 31-12-2025.		
8.02 Non-Listed Securities:			
	Dhaka Stock Exchange Limited	28,860,420	28,860,420
	Unit Fund (ICB AMCL 2nd NRB)	998,100	998,100
	Total	29,858,520	29,858,520
	Details Schedule of Investment in Un-Listed Securities are given in (Annexure-D) with the report.		
9.00 Advance against Income Tax:			
	This balance represents:		
	Advance Tax Paid	27,360,325	24,144,465
	Income Tax withheld by DSE (Note-9.01)	193,426,256	184,530,656
	Income Tax withheld from Divided Income	31,905,002	31,224,216
	Income Tax withheld from SND Account	18,334,291	16,370,004
	Total	271,025,874	256,269,341
9.01 Income Tax withheld by DSE:			
	This balance represents:		
	Stock Dealer Transaction	3,494,331	3,461,300
	Stock Broker Transaction	189,931,925	181,069,356
	Total	193,426,256	184,530,656
	The amount has been withheld by Dhaka Stock Exchange Ltd. from the amounts of transactions under section 137 of the Income Tax Act, 2023.		
10.00 Advances, Deposits & Pre-payments:			
	This balance represents:		
	Car Loan	1,856,954	2,573,618
	Advance against Office Rent	435,000	969,240
	Security Deposits (Note-10.01)	368,456	468,456
	Advance to Employees	55,000	105,000
	Advance to Supply & Services (Note-10.02)	800,856	711,169
	Total	3,516,266	4,827,483
10.01 Security Deposits:			
	C & F Tower, Chattogram	233,856	233,856
	CDBL	100,000	100,000
	Dhaka Stock Exchange Limited	-	100,000
	BTCL	15,000	15,000
	Elite Security Services Limited	13,000	13,000
	Alpine Fresh Water Limited	6,600	6,600
	Total	368,456	468,456
10.02 Advance to Supply & Services:			
	Mr. Mohammad Omar Faruk	275,856	186,169
	Unisoft Systems Limited	525,000	525,000
	Total	800,856	711,169
11.00 Receivable from Stock Exchange:			
	This balance represents:		
	Receivable from DSE-Broker (Note-11.01)	3,129,993	38,668,563
	Receivable from DSE-Dealer (Note-11.02)	-	-
	Total	3,129,993	38,668,563

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
11.01 Receivable from DSE-Broker:			
Categories A,B,G & N Types of Shares		2,103,483	21,707,246
Categories Z Types of Shares		1,026,510	16,961,317
Total		3,129,993	38,668,563
11.02 Receivable from DSE-Dealer:			
Categories A,B,G & N Types of Shares		-	-
Total		-	-
12.00 Other Receivables:			
This balance represents:			
IIDFC PLC.		87,351	-
GSP Investment Limited		54,932	-
Total		142,283	-
13.00 Cash & Cash Equivalents:			
This consists as follows:			
A) Cash in Hand (Note-13.01)		9,252	42,771
B) Stamp in Hand		8,290	11,471
C) Cash at Bank (Note-13.02)		127,034,602	269,285,929
Total (A+B+C)		127,052,144	269,340,171
13.01 Cash in Hand:			
Head Office		4,940	22,632
Gulshan Branch		57	7,139
Chattogram Branch		1,045	1,270
Chamber Building Extension		-	2,420
Nikunja Extension		3,210	9,310
Total		9,252	42,771
13.02 Cash at Bank:			
This balance represents:			
A) Short-Term Deposit Account:			
1) Consolidated Customer Account:			
One Bank PLC., Principal Br., A/C No. 0015025351004		10,265,592	95,041,715
Mercantile Bank PLC., Nikunja Br., A/C No. 1131000047513		116,151,121	172,776,423
2) Dealer Account:			
One Bank PLC., Principal Br., A/C No. 0015025351012		4,360	63,365
Mercantile Bank PLC., Nikunja Br., A/C No. 1131000047522		47,109	518,253
3) IPO Account:			
One Bank PLC., Principal Br., A/C. 0013000001721		3,642	4,650
4) Admin Account:			
Southeast Bank PLC., Corporate Br., A/C. 3113100000722		214,979	758,467
5) Admin Account:			
MTB NEO PLC., Fulbaria Br., A/C. 00310325001228		120,803	-
6) BGTB/G-SEC Account:			
Mercantile Bank PLC., Nikunja Br., A/C. 1131000056781		36,032	104,617
7) Investment Account:			
One Bank PLC., Principal Br., A/C. 0013000002145		190,964	18,439
Total		127,034,602	269,285,929
14.00 Share Capital:			
This is made-up as follows:			
Authorized Capital			
500,000,000 Ordinary Shares Tk. 10 each		5,000,000,000	50,000,000,000
Issued, Subscribed and Paid-up Capital			
100,000,000 Ordinary Shares Tk. 10 each fully Paid-up		1,000,000,000	1,000,000,000
Details of Shareholding Position is as follows:			
Name of Shareholders	No. of Shares	Amount in Tk.	Amount in Tk.
IIDFC Limited	99,987,497	999,874,970	999,874,970
Mr. Md. Matiul Islam	12,438	124,380	124,380
Mr. S.A. Chowdhury	13	130	130
Mr. Tariqul Islam Chowdhury	13	130	130
Mr. Md. Khaliur Rahman	13	130	130
Mr. Lingkhon Mondal	13	130	130
Mr. Abu Shadat Mohammad Shahin	13	130	130
Total	100,000,000	1,000,000,000	1,000,000,000

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
15.00 Capital Reserve:			
	This is made-up as follows:		
	Opening Balance	796,301	501,840
	Add: Addition during the year	-	294,461
		796,301	796,301
	Less: Adjustment during the year	-	-
	Closing Balance	796,301	796,301
	Capital reserve has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019. As per that rules, each registered entity shall maintain a mandatory provision which is at least 10% of profit after tax of previous year as capital reserve and the full amount of such reserve shall be accounted for in computing total capital.		
16.00 General Reserve:			
	This is made-up as follows:		
	Opening Balance	17,000,000	17,000,000
	Add: Addition during the year	-	-
	Less: Adjustment during the year	-	-
	Closing Balance	17,000,000	17,000,000
17.00 Retained Earnings:			
	This is made-up as follows:		
	Opening Balance	107,366,771	115,151,819
	Add: Net Profit/(Loss) after	(34,420,300)	(3,690,143)
	Less: Transferred to other liabilities	-	(3,800,444)
	Less: Transferred to Capital Reserve	-	(294,461)
	Closing Balance	72,946,471	107,366,771
18.00 Term Loan:			
	This balance represents:		
	Loan up to 8 years with IIDFC PLC	84,069,073	106,198,736
	Loan up to 8 years with IIDFC PLC	59,275,848	74,879,144
	Loan up to 3 years with ICB	21,561,077	56,908,678
	Total	164,905,998	237,986,558
19.00 Accounts & Other Payables:			
	This balance represents:		
	IIDFC Capital Limited	1,543	5,761,002
	Total	1,543	5,761,002
20.00 Payable to Clients:			
	This balance represents:		
	Payable to Clients (Trading)	84,308,906	253,738,682
	Total	84,308,906	253,738,682
	The company has been maintaining a consolidated customer account against payable to clients with ONE Bank PLC & Mercantile Bank PLC. only for the deposits of money received from and payments to customers as per paragraph six (6) of Securities Exchange Commission Rules, 2020.		
21.00 Payable to Stock Exchange:			
	This balance represents:		
	Payable to DSE-Broker (Note-21.01)	2,478,734	586,967
	Payable to DSE-Dealer (Note-21.02)	-	-
	Total	2,478,734	586,967
21.01 Payable to DSE-Broker:			
	Categories A,B,G & N Types of Shares	2,059,869	586,967
	Categories Z Types of Shares	418,865	-
	Total	2,478,734	586,967
21.02 Payable to DSE-Dealer:			
	Categories A,B,G & N Types of Shares	-	-
	Total	-	-
22.00 Payable to Gratuity Fund:			
	This is made-up as follows:		
	Opening Balance	8,000,000	564,560
	Add: Addition during the year	6,907,298	8,000,000
	Less: Adjustment during the year	(4,000,000)	(564,560)
	Closing Balance	10,907,298	8,000,000

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
23.00	Provision for Diminution in Value of Investment in Securities:		
	This is made-up as follows:		
	Opening Balance	28,230,098	13,231,515
	Add: Addition during the year	15,554,791	14,998,583
	Less: Adjustment during the year	-	-
	Closing Balance	43,784,889	28,230,098
	Details of Un-Realized Loss & Provision:		
	Total Un-Realized Loss (Note-8.01)	147,671,644	141,150,484
	Accumulated Provision	43,784,889	28,230,098
		29.65%	20.00%
Following the BSEC directives, IIDFC Securities Ltd. approved a plan to gradually provision of unrealized losses on stock-dealer in its 66th meeting dated August 30, 2025, submitted proposal to DSE and BSEC on September 24, 2025. BSEC approved this plan on November 16, 2025, with specified conditions under Order No. BSEC/SMMID/NI/AP/2025/108/629. The commission recommends executing this plan by December 31, 2030; non-compliance may lead to further action. In this connection, an amount of BDT 15,554,791 has been made new provision during the year as per approved provision plan by the BSEC.			
24.00	Loan Loss Reserve:		
	This balance represents:		
	Loan Loss Account (Note-24.01)	84,162,141	51,150,951
	Interest Income Loss Account (Note-24.02)	250,353,380	283,364,570
	Total	334,515,521	334,515,521
24.01	Loan Loss Account:		
	Opening Balance	51,150,951	55,202,801
	Add: Addition during the year	44,108,673	-
		95,259,624	55,202,801
	Less: Adjustment during the year	(11,097,483)	(4,051,850)
	Closing Balance	84,162,141	51,150,951
24.02	Interest Income Loss Account:		
	Opening Balance	283,364,570	305,812,720
	Add: Addition during the year	-	-
		283,364,570	305,812,720
	Less: Adjustment during the year	(33,011,190)	(22,448,150)
	Closing Balance	250,353,380	283,364,570
	Un-realised loss and provision:		
	Un-realised Loss (Negative Equity) against Margin Loan	818,239,650	860,339,585
	Accumulated Provision (Note-24.02.01)	334,515,521	334,515,521
	Percentage of Loan Loss Reserve	40.88%	38.88%
24.01.02	Accumulated Provision:		
	Provision upto 31 December, 2025	378,624,194	361,015,521
	Less: Amount written off during the year	(44,108,673)	(26,500,000)
	Total	334,515,521	334,515,521
In response to BSEC directives, IIDFC Securities Ltd. approved an action plan for the gradual of provisioning of unrealized losses in client margin accounts in its 66th meeting dated August 30, 2025. The company submitted the action plan to DSE and BSEC for approval on September 24, 2025. BSEC approved the proposal for the gradual provision against negative equity margin loan on November 16, 2025, subject to specific conditions by December 31, 2030, as specified in Order No. BSEC/SMMID/NI/AP/2025/108/629 dated November 13, 2025. In this connection, an amount of BDT 44,108,673.00 has been made new provision during the year as per approved provision plan by the BSEC.			
During the year, the total margin loan written-off amount is Tk. 44,108,673.00 against 72 no. of inactive BO accounts out of which Tk. 11,097,742/- has been adjusted from the loan loss account and Tk. 33,010,930/- from the interest loss account.			
25.00	Accrued Expenses:		
	This balance represents:		
	Incentives Bonus	2,400,000	1,400,000
	Payable to Supply and Service (Note-25.01)	24,029	52,351
	Salaries and Allowances	654,516	-
	Associate Salary	520,369	1,029,397
	Financial Expenses (ICB)	215,611	-
	Office Rent	236,562	334,750
	Audit Fees	115,000	166,750

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
	Professional Fees	345,000	-
	Online and Data Communication Charges	164,708	252,118
	Financial Expenses (IIDFC)	108,732	75,280
	Guarantee Commission	200,000	-
	Electricity Bill	152,957	229,408
	Telephone Bill	36,906	14,691
	Water and Sewerage	22,015	13,491
	CDBL Charges	351,555	1,000
	Drinking Water	9,600	2,154
	Tree Plantation	20,285	4,370
	Payable to Mobile Apps	-	375
	Total	5,577,845	3,576,135
25.01	Payable to Supply & Service:		
	Amitiez	16,881	27,837
	SUNBD	-	210
	Deshprotikhon	2,400	2,400
	Rifat Enterprise	-	12,206
	F-2 Solution	3,158	3,158
	Moron Kumar Das	-	4,950
	Alpine Fresh	1,590	1,590
	Total	24,029	52,351
26.00	Short Term Loan (Bank Overdraft):		
	This balance represents:		
	One Bank PLC., Principal Br., A/C No. 0017170000312	-	58,868,401
	Mercantile Bank PLC., Nikunja Br., A/C No. 172000008376	(24,243)	46,158,112
	Total	(24,243)	105,026,513
27.00	Other Liabilities:		
	This balance represents:		
	Interest Income from CCA (Note-27.01)	599,143	37,454,779
	Risk Fund	1,616,667	1,516,667
	Income Tax Deducted at Source	272,197	270,289
	VAT Deducted at Source	141,190	70,634
	Suspense Accounts Blocked	205,963	191,593
	Others	-	200,000
	Total	2,835,160	39,703,962
27.01	Interest Income from CCA:		
	Opening Balance	37,454,779	23,315,066
	Add: Addition during the year	-	3,800,444
		37,454,779	27,115,510
	Less: Adjustment during the year	(36,855,636)	10,339,269
	Closing Balance	599,143	37,454,779
	An amount of BDT 36,855,635.00 has been paid to the BSEC and Tk. 599,144.00 transferred to other liabilities after deducting annual maintenance expenses, bank charges, and other charges for the purpose of distribution to the customer's account and exchange as per BSEC directive no. BSEC/CMRRCD/2009-193/20 Dated 21 June 2021.		
28.00	Provision for Income Tax:		
	This is made-up as follows:		
	Opening Balance	244,658,514	227,389,272
	Add: Provision during the year	19,504,236	17,269,242
		264,162,750	244,658,514
	Less: Adjustment during the year	-	-
	Closing Balance	264,162,750	244,658,514
29.00	Provision for Margin Loan:		
	This is made-up as follows:		
	Opening Balance	14,332,771	15,323,156
	Add: Under Provision	-	-
		14,332,771	15,323,156
	Less: Adjustment during the year	(2,133,476)	(990,385)
	Closing Balance	12,199,295	14,332,771
	Provision for Loan Loss-Margin Loan has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019, each registered entity those are providing margin financing shall maintain a mandatory provision @ 1% of all outstanding margin exposures which has kept by the entity.		

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
30.00	Revenue:		
	This balance represents:		
	Brokerage Commission (Note-29.01)	69,601,824	73,460,665
	Divided Income (Note-29.02)	3,416,945	6,005,048
	Interest Income (Note-29.03)	101,124,514	78,895,854
	Gains on Sale of Securities (Note-29.04)	(2,661,085)	1,122,407
	Other Operating Income (Note-29.05)	265,100	496,815
	Total	171,747,297	159,980,789
30.01	Brokerage Commission:		
	Commission on Securities Trading	69,601,744	73,447,575
	Commission on IPO Securities	80	13,090
	Total	69,601,824	73,460,665
30.02	Divided Income:		
	Income from Trading of Securities	1,631,206	3,840,516
	Income from DSE	1,785,739	2,164,532
	Total	3,416,945	6,005,048
30.03	Interest Income:		
	Margin Loan	65,527,429	76,063,394
	Bank Interest	35,248,185	2,832,460
	91 Days Treasury Bills	348,900	-
	Total	101,124,514	78,895,854
30.04	Gains on Sale of Securities:		
	Gains from Trading of Securities	2,584,769	1,559,939
	Loss from Trading of Securities	(5,245,854)	(437,532)
	Total	(2,661,085)	1,122,407
30.05	Other Operating Income:		
	BO Account Maintenance Fees	171,650	359,000
	Notice Pay Received	19,650	28,432
	Forfeiture Balance from Employees Provident Fund Accounts	-	41,084
	BO Account Opening Charges	53,800	32,299
	Gains on Disposal of Assets	-	3,000
	Charges for Dishonored Cheques	19,500	32,000
	Sale of Account Opening Form	500	1,000
	Total	265,100	496,815
31.00	General & Administrative Expenses:		
	This balance represents:		
	Salaries & Allowances (Note-31.01)	65,895,562	63,223,637
	Rent, Insurance & Utilities (Note-31.02)	10,466,758	9,451,113
	Postage, Stamp & Telecommunications (Note-31.03)	2,100,243	2,229,564
	Stationery, Printing & Advertisement (Note-31.04)	900,542	950,071
	Directors Fees (Note-31.05)	413,600	176,000
	Repair & Maintenances (Note-31.06)	1,561,608	355,881
	Other Expenses (Note-31.07)	3,858,326	3,667,253
	Professional & Legal Expenses	1,567,989	602,982
	Audit Fees	115,000	166,750
	Loan and Advance Written-off	33,054	4,429
	Depreciation (Note-31.08)	2,167,077	2,110,218
	Total	89,079,759	82,937,898

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
31.01	Salaries & Allowances:		
	Basic	20,226,805	19,621,785
	Associate Salary	9,780,703	7,938,275
	House Rent	10,113,450	9,812,551
	Incentive Bonus	1,000,000	1,447,667
	Leave Encashment	107,337	45,773
	Festival Bonus	3,398,424	3,263,545
	Casual Staff Salary	1,534,000	1,566,000
	Gratuity Expenses	6,907,298	8,000,000
	Conveyance	2,184,037	2,115,269
	Company's Contribution to Provident Fund	2,725,732	1,806,492
	Leave Fare Assistances	1,789,586	1,529,739
	Employees Recreation	1,198,777	1,209,506
	Medical Allowances	1,014,059	981,700
	Group Insurances	910,009	888,078
	Car Allowances	2,160,000	2,160,000
	Other Allowances	240,000	240,000
	Entertainment	305,345	297,257
	House Maintenances	300,000	300,000
	Total	65,895,562	63,223,637
31.02	Rent, Insurance & Utilities:		
	Office Rent & Service Charges	8,590,045	7,829,580
	Electricity Bill	1,187,581	1,243,400
	Renewal & Registration Fees	520,103	270,363
	Water & Sewerage	165,827	88,372
	Insurance on Fixed Assets	3,202	19,398
	Total	10,466,758	9,451,113
31.03	Postage, Stamp & Telecommunications:		
	Data communication Expenses	1,379,361	1,564,711
	Mobile Bill	536,900	533,991
	Mobile app Expenses	1,375	-
	Telephone Bill	57,600	51,973
	Telephone Set	39,124	
	SMS, E-mail & NID Verification Charges	62,896	58,896
	Postage and Courier Charges	11,662	12,807
	Stamp Charges	11,325	7,186
	Total	2,100,243	2,229,564
31.04	Stationery, Printing & Advertisement:		
	Printing & Stationery	397,566	427,716
	Paper, Ribbon & Cartridge	217,694	190,218
	Business Promotional & Other Advertisement Expenses	285,282	332,137
	Total	900,542	950,071
31.05	Directors Fees:		
	Fees	376,000	160,000
	Add: VAT	37,600	16,000
	Total	413,600	176,000
31.06	Repair & Maintenances:		
	Office Equipment	657,095	227,108
	Renovation & Decoration	58,258	18,376
	Electric & Lighting Materials	289,417	17,178
	Furniture & Fixtures	136,479	16,841
	Computer Accessories	420,359	76,378
	Total	1,561,608	355,881

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
31.07 Other Expenses:			
	Entertainment	1,157,501	1,035,275
	Excise Duty	231,000	303,150
	Office Maintenance (Note-46.01)	552,634	568,961
	Travelling and Conveyance - Local	114,169	117,650
	Guarantee Commission	800,000	800,000
	Risk Fund	100,000	100,000
	Training Expenses	6,666	26,522
	Regulatory Expenses (OMS)	700,000	-
	Maintenance Expenses (OMS)	66,003	-
	Court Fees	7,638	423
	Loss on Disposal of Assets	-	608,899
	Donation	-	40,000
	Subscription Fees (EI)	-	11,000
	Bank Charges	16,313	26,411
	Newspaper and Magazine	15,691	23,622
	Uniform & Other Apparels	64,680	-
	Investor Protection Fund Fees	25,381	-
	Books and Periodicals	650	5,340
	Total	3,858,324	3,667,253
31.08 Depreciation:			
	Office Equipment	1,044,001	1,416,949
	Office Decoration	819,385	332,336
	Furniture & Fixtures	92,567	149,805
	Amortization on Computer Software	211,124	211,128
	Total	2,167,079	2,110,218
32.00 Financial Expenses:			
	This balance represents:		
	IIDFC PLC.	24,898,301	30,450,035
	Mercantile Bank PLC.	4,654,898	7,084,124
	One Bank PLC.	2,408,022	3,788,064
	Investment Corporation of Bangladesh (ICB)	1,296,014	2,224,646
	Total	33,257,235	43,546,869
33.00 Other Income:			
	This balance represents:		
	Interest Income in Short Term Advance	186,869	-
	Others	3,500	-
	Gains on Disposal of Assets	127,463	-
	RTGS Charges	31,900	11,100
	Auction Fees	-	600
	Total	349,732	11,700
34.00 Income Tax Expenses:			
	This balance represents:		
	Current Tax (Note-34.01)	19,504,236	2,660,692
	Total	19,504,236	2,660,692
34.01 Current Tax:			
	Calculation of Current Tax:		
	Brokerage Commission	8,862,569	247,101
	Interest Income on Margin Loan	-	-
	Interest Income on Bank Deposit	9,693,251	-
	Interest Income from T.Bill	95,948	-
	Dividend	169,079	61,554
	Capital Gain/(Loss) from trading of Securities	-	2,224,126
	Other Income	683,389	127,911
	Total	19,504,236	2,660,692

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024
35.00	Deferred Tax:		
	Carrying Value (Accounting Base)	5,342,845	6,547,397
	Tax Base	6,542,913	11,965,186
	Temporary/(Deductible) Difference	(1,200,068)	(5,417,789)
	Effective Tax Rate	27.5%	27.5%
	Deferred Tax Liability/(Asset)	(330,019)	(1,489,892)
35.01	Current Year Deferred Tax:		
	Total Deferred Tax	(330,019)	(1,489,892)
	Less: Opening Balance	(1,489,892)	1,265,923
	Total	1,159,873	(2,755,815)
36.00	Earnings per Share (EPS):		
	The Computation of EPS is given below:		
	Earning Attributable to the Shareholders (Net Profit after Tax)	(34,420,300)	(3,690,143)
	Number of Shares Outstanding during the year	100,000,000	100,000,000
	Earnings per Share (EPS) (Tk. 10 Per Share)	(0.34)	(0.04)
37.00	Net Asset Value (NAV) per Share:		
	The Computation of NAV is given below:		
	Net Assets	1,090,742,772	1,125,163,072
	Number of Shares Outstanding during the year	100,000,000	100,000,000
	Net Asset Value (NAV) per Share (Tk. 10 Per Share)	10.91	11.25
38.00	Net Operating Cash Flows per Share (NOCFPS):		
	The Computation of NOCFPS is given below:		
	Net Cash Generated/(Used) from Operating Activities	(137,492,883)	(125,260,330)
	Weighted Average Number of Shares	100,000,000	100,000,000
	Net Operating Cash Flows per Share (NOCFPS) (Tk. 10 Per Share)	(1.37)	(1.25)
39.00	Audit Fees:		
	Auditors remuneration comprises annual audit fees only.		
40.00	Un-availed Credit Facilities:		
	There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date.		
41.00	Internal Control:		
	The following steps have been taken for implementation of an effective internal control procedure of the Company:		
	a. A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control:		
	b. Regular review of internal audit reports with a view to implement the suggestion of internal auditors in respect of internal control technique:		
	c. To establish an effective management system that includes planning, organizing and supervising culture in the office.		
42.00	Events after Reporting Period:		
	There is no significant events after reporting period.		
43.00	Disclosure on Related Party Transaction as per IAS-24 "Related Party Disclosure":		
		</	

IIDFC Securities Limited

Notes	Particulars	Amount in Taka	
		31-12-2025	31-12-2024

44.00 Capital Adequacy Ratio (CAR):

Computation of capital adequacy ratio (CAR) as per [rule-4 (2)] of the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy), Rules, 2019:

$$\text{Capital Adequacy Ratio (CAR)} = \frac{\text{Total Capital (TC)*}}{\text{Total Risk Requirement (TRR)*}} \times 100$$

Maintained a mandatory Capital Adequacy Ratio minimum 120% or 1.20 times as per [rule-4 (3) (a)] of the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy), Rules, 2019.

$$\text{Capital Adequacy Ratio (CAR) of IIDFCSL} = \frac{1,284,991,346}{143,854,568} \times 100 = 893.256\% \quad 8.93 \text{ Times}$$

*Details calculation of Total Capital (TC) & Total Risk Requirement (TRR) are in Table-1 & 2;

Where,

a) Total Capital (TC) = Core Capital + Supplementary Capital;

b) Total Risk Requirement (TRR) = Operation Risk Requirement (ORR) + Position Risk Requirement (PRR) + Counterparty Risk Requirement (CRR) + Underwriting Risk Requirement (URR) + Large Exposure Risk Requirement (LERR) + Liability Risk Requirement (LRR)

Table-1

Area of Risk	Value of the Risk Factor	Value of the Risk Factor
a. Core Capital	1,090,742,772	1,125,141,556
b. Supplementary Capital	194,248,574	265,388,150
Total Capital (TC) (a+b)	1,284,991,346	1,390,529,706

Details Schedule of Total Risk Requirement (TRR) are given in (Annexure-E) with this Report.

Table-2

Area of Risk	Value of the Risk Factor	Value of the Risk Factor
a. Operation Risk Requirement (ORR)	7,010,332	-
b. Position Risk Requirement (PRR)	38,929,890	47,049,784
c. Counterparty Risk Requirement (CRR)	97,594,361	114,662,025
d. Underwriting Risk Requirement (URR)	-	-
e. Large Exposure Risk Requirement (LERR)	-	205,218
f. Liability Risk Requirement (LRR)	319,985	377,010
Total Risk Requirement (TRR) (a+b+c+d+e+f)	143,854,568	162,294,037

Details Schedule of Total Risk Requirement (TRR) are given in (Annexure-F) with the Report.

Sd/-
Chairman

Sd/-
Chief Executive Officer

Sd/-
Director

IIDFC Securities Limited

Schedule of Property, Plant & Equipment as at 31 December, 2025

Particulars	Cost			Rate (%)	Depreciation			Annexure-A Written Down Value (WDV) as at 31-12-2025
	Balance as at 01-01-2025	Addition during the year	Adjustmen/ (Disposal) during the year		Balance as at 01-01-2025	Charged during the year	Adjustmen/ (Disposal) during the year	
Furniture & Fixtures	4,189,541	130,070	(1,138,269)	10%	3,381,750	92,567	(762,312)	469,337
Office Decoration	11,502,736	1,972,675	(5,012,551)	10%	9,310,877	819,387	(4,240,329)	2,572,925
Office Equipment	19,470,274	541,307	(2,779,728)	18%	16,673,188	1,044,001	(2,246,382)	1,761,046
as at 31 December, 2025	35,162,551	2,644,052	(8,930,548)		29,365,815	1,955,955	(7,249,023)	4,803,308
as at 31 December, 2024	35,953,505	208,147	(999,101)		27,758,927	1,899,090	(292,202)	5,796,736

Schedule of Intangible Asset

Particulars	Cost			Rate (%)	Depreciation			Annexure-B Written Down Value (WDV) as at 31-12-2025
	Balance as at 01-01-2025	Addition during the year	Adjustmen/ (Disposal) during the year		Balance as at 01-01-2025	Charged during the year	Adjustmen/ (Disposal) during the year	
Computer Software	2,839,744	-	-	18%	2,089,083	211,124	-	539,537
as at 31 December, 2025	2,839,744	-	-		2,089,083	211,124	-	539,537
as at 31 December, 2024	2,839,744	-	-		1,877,955	211,128	-	750,661

IIDFC Securities Limited

Schedule of Investment in Securities (Listed Securities)

As at 31 December, 2025

								Annexure-C
Sl. No.	Sector	Name of the Company	Total Share	Buy Rate	Market Rate	Buy Price	Market Price	Unrealized Gain/(Loss)
1	BANK	FIRSTSBANK	60,375	11.89	1.90	7,212,200	1,152,113	(6,060,088)
2		UCB	239,055	14.43	10.40	3,448,962	2,486,172	(962,790)
3		ABNBANK	321,483	14.04	4.10	4,512,300	1,318,080	(3,194,220)
4		EXIMBANK	400,000	13.44	3.00	5,376,000	1,200,000	(4,176,000)
5		GIB	1,383,235	9.52	1.70	13,173,670	2,351,500	(10,822,171)
6		ONEBANKPLC	798,761	13.29	7.00	10,612,500	5,591,327	(5,021,173)
7		UCB	636,693	16.16	10.40	10,291,846	6,621,607	(3,670,239)
						54,627,478	20,720,799	(33,906,679)
8	ENGINEERING	BDTHAI	4,985	28.97	11.10	144,415	55,334	(89,082)
9		COPPERTECH	208,000	51.19	18.80	10,646,510	3,910,400	(6,736,110)
10		YPL	573,917	19.24	17.70	11,044,302	10,158,331	(885,971)
11		BBSCABLES	187,576	64.84	15.20	12,162,958	2,851,155	(9,311,803)
12		IFADAUTOS	636,300	55.54	21.60	35,338,471	13,744,080	(21,594,391)
13		SINGERBD	25,000	206.20	84.50	5,155,050	2,112,500	(3,042,550)
						74,491,707	32,831,800	(41,659,907)
14	FINANCIAL INSTITUTE	ICB	107,625	127.63	36.20	13,736,585	3,896,025	(9,840,560)
15		UNIONCAP	54,022	24.50	2.60	1,323,617	140,457	(1,183,160)
16		UNITEDFIN	100,000	26.25	11.50	2,625,000	1,150,000	(1,475,000)
						17,685,202	5,186,482	(12,498,720)
14	FOOD & ALLIED	FUWANGFOOD	160,000	34.56	11.20	5,530,000	1,792,000	(3,738,000)
15		BATBC	3,834	406.85	248.60	1,559,874	953,132	(606,742)
16		OLYMPIC	13,000	232.81	137.40	3,026,517	1,786,200	(1,240,317)
						10,116,391	4,531,332	(5,585,059)
17	FUEL & POWER	BPPL	65,077	29.63	14.70	1,928,167	956,632	(971,535)
18		KPCL	85,352	40.30	10.50	3,440,018	896,196	(2,543,822)
						5,368,185	1,852,828	(3,515,357)
19	INSURANCE	RELIANCINS	1,273	61.87	65.20	78,767	83,000	4,233
						78,767	83,000	4,233
20	LIFE INSURANCE	MEGHNALIFE	44,806	81.10	49.70	3,633,881	2,226,858	(1,407,023)
21		MEGHNALIFE	100,000	65.49	49.70	6,549,159	4,970,000	(1,579,159)
						10,183,040	7,196,858	(2,986,182)
22	IT SECTOR	ITC	100,000	48.73	38.40	4,872,917	3,840,000	(1,032,917)
						4,872,917	3,840,000	(1,032,917)
23	MUTUAL FUND	FBFIF	2,173,247	6.02	2.60	13,088,874	5,650,442	(7,438,432)
						13,088,874	5,650,442	(7,438,432)
24	MISCELLANEOUS	BEXIMCO	168,000	127.99	110.10	21,502,626	18,496,800	(3,005,826)
						21,502,626	18,496,800	(3,005,826)
25	PHARMACEUTICALS & CHEMICALS	BEACONPHAR	39,000	296.06	104.60	11,546,220	4,079,400	(7,466,820)
26		BXPHARMA	85,000	223.15	102.10	18,968,106	8,678,500	(10,289,606)
27		ORIONPHARM	120,000	135.50	27.40	16,260,463	3,288,000	(12,972,463)
28		ACIFORMULA	28,500	220.31	127.90	6,278,796	3,645,150	(2,633,646)
						53,053,584	19,691,050	(33,362,534)
29	TEXTILE	ALIF	27,036	13.44	4.00	363,390	108,144	(255,246)
30		DSSL	100,000	18.73	8.40	1,873,019	840,000	(1,033,019)
31		ETL	100,000	17.90	9.90	1,790,000	990,000	(800,000)
						4,026,409	1,938,144	(2,088,265)
32	TRAVEL & LEISURE	BESTHLDHG	30,000	33.17	13.30	995,000	399,000	(596,000)
						995,000	399,000	(596,000)
Total						270,090,179	122,418,535	(147,671,644)

Schedule of Investment in Securities (Non-Listed Securities) as at 31 December, 2025

Sl. No.	Sector	Name of the Company	Total Share	Buy Rate	Market Rate	Buy Price	Market Price	Annexure-D Unrealized Gain/(Loss)
1	UNQUOTED	DSE	2,886,042	10.00	10.00	28,860,420	28,860,420	-
2		IAMCL2NDNRB	110,600	9.02	9.02	998,100	998,100	-
Total						29,858,520	29,858,520	-

IIDFC Securities Limited

Schedule of Total Capital Computation As at 31 December, 2025

					Annexure-E
Sl. No.	Components	Statement of Financial Position Amount	Haircut (%)	Haircut Amount	Total
1	Share Capital	1,000,000,000	-	1,000,000,000	-
2	General Reserve	17,000,000	-	17,000,000	-
3	Capital Reserve	796,301	-	796,301	-
4	Fair Value Reserve	-	-	-	-
5	Retained Earnings	72,946,471	-	72,946,471	-
	Sub-Total	1,090,742,772	-	1,090,742,772	1,090,742,772
1	General Provision -> Other Provision	12,199,295	20%	2,439,859	-
2	Specific Provision	334,515,521	30%	100,354,656	-
3	Revaluation Surplus of Unrealized Gain on	-	-	-	-
4	Fixed Asset (Property, Plant & Equipment other than Intangible Assets)	4,803,308	30%	1,440,992	-
5	Investment in Listed Securities	142,283	20%	28,457	-
6	Investment in Non-listed Securities (Other than Closed End Mutual Fund)	299,948,699	30%	89,984,610	-
7	Investment in Strategic Holding	-	25%	-	-
8	Preference Share	-	25%	-	-
9	Subordinate Debt	-	-	-	-
	Sum of Supplementary Capital	-	-	194,248,574	194,248,574
Total					1,284,991,346

Schedule of Total Risk Requirement Computation As at 31 December, 2025

			Annexure-F
Area of Risk	Computation Formula	Risk Factory	Applicable For Registered Entity
Operation Risk Requirement (ORR)	Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	5%	7,010,332
Position Risk Requirement (PRR)	Proprietary Positions in Equity Securities:		
	Value of "A" Category Securities	10%	10,470,717
	Value of "B/G/N/." Category Securities	12%	14,373,306
	Value of "Z" Category Instruments	15%	6,840,819
	Value of "OTC" Category Instruments	20%	-
	Value of Non-Listed Securities	25%	7,215,105
	Value of Non-Listed Fund	3%	29,943
	Proprietary Positions in Strategic investments:		
	Value of Listed Strategic Investments	10%	-
	Value of Non-listed Strategic Investments	25%	-
Counterparty Risk Requirement (CPRR)	Exposure of Credit Facilities to Client	8%	97,594,361
Large Exposure Risk Requirement (LERR)	Sum of all Large Exposure to a Single Counterparty	7%	-
Liability Risk Requirement (LRR)	Annual Revenue Reported in last year	0.20%	319,985
Total			143,854,568

IIDFC Securities Limited

[see rule 2(1)(i);rule 4(1)(d);rule 8(5)]
Schedule of Liquid Capital Balance
As at 31 December 2025

Sl. No.	Assets	Particular's	Note Ref.	Amount as in Statement of Financial Position	Proposed Haircut in %	Annexure-G
						Amount after Haircut
1	Cash and Bank Balances:			127,052,144	-	127,048,502
	Cash in Hand		13.00	9,252	0%	9,252
	Cash at Bank in Company's Operational Account		13.00	441,975	0%	441,975
	Cash at Bank in Trading Accounts (Stock Dealer A/C)		13.00	172,272	0%	172,272
	Cash at Bank Accounts for Clients (Consolidated Customer Account)		13.00	126,416,713	0%	126,416,713
	Cash at Bank at IPO Account		13.00	3,642	100%	-
	Investments in FDR		13.00	-	0%	-
	Others Cash and Cash Equivalent		13.00	8,290	0%	8,290
2	Net Receivable from Exchange, Depository, CCP and others:			-	0%	-
	Mandatory for Cash Deposits with Exchanges (as Margin/Security)			-	100%	-
	Excess Over Mandatory for Cash Deposits with Exchanges (as Margin/Security)			-	0%	-
	Mandatory for Cash Deposits with Clearing House (as Margin/Security)			-	100%	-
	Excess Over Mandatory for Cash Deposits with Clearing House (as Margin/Security)			-	0%	-
	Mandatory for Cash Deposit with Depository (as per Rule)			-	100%	-
	Excess Over Mandatory for Cash Deposit with Depository (as per Rule)			-	0%	-
	Assets provided to Others as Security	Assets kept as Security Against any Obligations		-	100%	-
		Assets kept as Security but Exercisable within 30 days		-	0%	-
		Cash Provided as Security for Short Selling		-	100%	-
3	Net Receivable from Securities Trading			3,129,993		3,078,668
	Receivable from DSE (Categorized as A,B,G,N,Z and DVP)	Receivable from DSE against A, B, G & N Category		2,103,483	0%	2,103,483
		Receivable from DSE against Z Category		1,026,510	5%	975,185
		Receivable from DSE against DVP Category		-	5%	-
	Receivable from CSE (Categorized as A,B,G,N,Z and DVP)	Receivable from CSE against A, B, G & N Category		-	0%	-
		Receivable from CSE against Z Category		-	5%	-
		Receivable from CSE against DVP Category		-	5%	-

IIDFC Securities Limited

Sl. No.	Assets	Particular's	Note Ref.	Amount as in Statement of Financial Position	Proposed Haircut in %	Amount after Haircut
	Receivable from Stock Broker/Stock Dealer			-	0%	-
	Receivable from Merchant Banker			-	0%	-
	Receivable from Selling Agents			-	0%	-
	Receivable under Securities Borrowing and Lending Agreements			-	5%	-
	Receivable under Repurchase Transactions			-	0%	-
	Receivable from others			-	0%	-
4	Net Receivable from Margin Clients:			1,219,929,515		1,045,337,577
	Receivable from Clients having no margin or full Verosion of Clients' Equity (e.g.no Equity against Debit Balance)		7.00	837,886,906	20%	670,309,525
	Receivable from Clients fall under force Sale Condition (e.g. Equity is between 100% and 125% of DB)		7.00	8,020,112	15%	6,817,095
	Receivable from Clients fall under Margin Call (e.g. Equity is >125% of DB but <150% of DB)		7.00	116,230,803	5%	110,419,263
	Receivable from regular Margin Clients (e.g. equity is >150% of Debit Balance)		7.00	257,791,694	0%	257,791,694
5	Net Receivable from other Clients:			-		-
		Receivable after Securities Trading		-	15%	-
		Receivable arises from Fee, Commission & Charges			5%	-
6	Net Receivable from Counterparties (Clients,			-	0%	-
7	Net Receivable arises from Short Selling			-	10%	-
8	Proprietary Positions in Securities and Specified Investments:		8.00	299,948,699		260,050,652
	i. Proprietary Positions in Equity Securities			298,950,599		260,050,652
		Value of "A" Category Instruments		104,707,168	10%	94,236,451
		Value of "B/G/N/..." Category Instruments		119,777,552	12%	105,404,245
		Value of "Z" Category Instruments		45,605,460	15%	38,764,641
		Value of "OTC" Category Instruments		-	20%	-
		Value of Non-Listed Instruments		28,860,420	25%	21,645,315
	ii. Proprietary Positions in MFs & CISs Including AIFs			998,100		-
		Value of listed funds		-	10%	-
		Value of non-listed funds		998,100	3%	968,157
		Value of AIFs		-	25%	-
	iii. Proprietary Positions in Debt Instruments & ABSs			-		-
		Value of Listed Debt Instruments & ABSs		-	5%	-
		Value of Non-Listed Debt Instruments		-	10%	-
		Value of Non-Listed ABSs		-	10%	-

IIDFC Securities Limited

Sl. No.	Assets	Particular's	Note Ref.	Amount as in Statement of Financial Position	Proposed Haircut in %	Amount after Haircut
	iv. Proprietary Position in Strategic Investments			-		-
		Value of Listed Strategic Investments		-	10%	-
		Value of No-Listed Strategic Investments		-	25%	-
	v. Proprietary Position in Money Market Instruments			-		-
		Value of Govt. & BB Instruments		-	0%	-
		Value of Commercial Paper		-	10%	-
	vi. Own Subscription in IPOs but not yet Allotted			-	10%	-
	vii. Other Investment			-	N/A	-
9	Proprietary Position in Derivatives			-	N/A	-
10	Other Assets Arising From:			3,603,617		-
	Receivable against Advisory Fees, Commission, etc			-	10%	-
	Dividend Receivable			-	0%	-
	Interest Receivable		12.00	87,351	0%	-
	Prepaid Expenses			-	0%	-
	Security Deposits		10.00	368,456	0%	-
	Any Others (Need to Specify)		11.00	3,147,810	0%	-
11	Total Liquid Assets	(Aggregate of items 1 to 10)		1,653,663,968		1,435,515,399
Liabilities						
12	Short Positions in Securities held for Own Account			-	0%	-
13	Payable to Clients			84,308,906	0%	84,308,906
14	Short Term Business Liabilities:			(24,243)		61,168,651
	Payable to Banks, if not for Trading & Investment (Current Portion of Long Term Liabilities)		26	(24,243)	0%	(24,243)
	Payable to FIs, if not for trading & Investment (Current Portion of Long Term Liabilities)		18.00	61,191,351	0%	61,191,351
	Payable to Banks & FIs for loan against Margin Financing & Investment (Full Amount)			-	0%	-
	Payment Obligation against Sub-Debt, Preference Shares (Current Portion)			-	0%	-
	Payable to Associate Companies or Persons		19	1,543	0%	1,543
15	Amounts Payable to Clearing Houses/Exchanges/Depository etc.			2,478,734		2,478,734
	Payable to Exchanges		21	2,478,734	0%	2,478,734
	Payable to Clearing House/CCP			-	0%	-
	Payable to Depository			-	0%	-
	Payable to Brokers			-	0%	-
16	Other Liabilities and Provisions:			661,783,463		276,611,824
	Accruals & Accounts payable			-	0%	-
	Deferred Tax and Other Deferred Liabilities			-	50%	-
	Provision for Margin Loan		24	84,161,882	100%	-

IIDFC Securities Limited

	Provision for Diminution in value of Investment in Securities		23	43,784,889	100%	-
	Provision for Gratuity, PF & Others		20,27	13,742,458	50%	6,871,229
	Provision for Tax & VAT		28	264,162,750	0%	264,162,750
	Interest Suspense against Margin Loan		24	250,353,639	100%	-
	Liabilities for Expenses		25	5,253,502	0%	5,253,502
Sl. No.	Assets	Particular's	Note Ref.	Amount as in Statement of Financial Position	Proposed Haircut in %	Amount after Haircut
	Interest Payable			324,343	0%	324,343
	Provision for Contingent Liabilities and Floating Losses			-	50%	-
	Others (clearly specified in notes)			-	0%	-
17	Net Short Term Obligations after Haircut	Aggregate of item 12 to item 16		748,546,860		424,568,115
18	Total Liabilities	As per Balance Sheet		913,454,401		913,454,401
19	Liquid Capital (Amount in item 11 Minus Item 17)			905,117,108		1,010,947,284
20	Regulatory LCB : 4%/6%/8% of Total Liabilities (Item 18)			73,076,352		73,076,352
21	Excess/(Deficit) in Liquid Capital Balance	(Amount in Item 20 less 19)		832,040,756		937,870,931

24th Annual General Meeting of IIDFC PLC.



The 24th Annual General Meeting (AGM) of IIDFC was held on Wednesday, 10 December at 2:30 p.m. at the IIDFC Head Office, Chamber Building (6th floor), 122-124, Motijheel C/A, Dhaka-1000



আমরা লড়ছি আমরা লড়ব
আমাদের হবে জয়
কলুষমুক্ত সমাজ গড়ব
থাকবে না কোনো ভয়।

- হুমায়ুন সাদেক চৌধুরী

IIDFC PLC.

Metropolitan Chamber Building (6th Floor)
122-124 Motiheel C/A
Dhaka-1000

Revenue
Stamp of
Tk. 20.00

PROXY FORM

I/we of
being a member of IIDFC PLC. do hereby appoint Mr./Mrs./Ms. of
..... as my/our proxy to participate and vote for me/us and on my/our behalf in the **25th Annual General Meeting** of the company to be held on **Thursday, August 27, 2026 at 2:30 PM** at the Board Room of the Registered Office of the Company at Metropolitan Chamber Building (Level-6), 122-124 Motijheel C/A, Dhaka-1000 and at any adjournment thereof.

As witness my/our hand thisday of2026.

.....
Signature of Shareholder
Folio No:

.....
Signature of Proxy

Signature Verified

Authorized Signatory

Note:

A Member entitled to attend at the Annual General Meeting (AGM) may appoint a PROXY to attend on his/her behalf. The Proxy Form, duly signed, stamped and completed in all respect, must be deposited at the Registered Office of the Company at least 48 hours before the time for the meeting.